USDC SDNY
DOCUMENT
ELECTRONICALLY FILED
DOC #:
DATE FILED: 2-21-08

2008 Civ. 0042 (JFK)

Petitioner.

<u>ORDER</u>

and

PALADIN REINSURANCE CORPORATION,

Respondent.

Λ

Upon the Stipulation of counsel for both parties hereto, it is hereby

ORDERED that the Revised Final Award in the arbitration between the parties (the "Award"), a copy of which is Exhibit 1 hereto, is hereby confirmed pursuant to 9 U.S.C. § 9; and it is further

ORDERED that the Award shall be entered as a Judgment of this Court; and it is further ORDERED that, pursuant to 9 U.S.C. § 13, copies of the agreements between the parties as provided by Petitioner, which are annexed as Exhibit 2 hereto, and a copy of the Petition to Confirm Revision Final Arbitration Award in this proceeding, which is annexed as Exhibit 3 hereto, shall also be filed with the Clerk; and it is further

ORDERED that upon the above entry of said judgment, this proceeding shall be dismissed with prejudice against renewal. Each party hereto shall bear its own costs.

Dated: New York, New York
February 21, 2008

John E Kaanan HSD I

421-8190\Order wpd





In the Matter of the Arbitration Between PALADIN REINSURANCE CORPORATION, Petitioner

and

Before

Robert Robinson, Arbitrator Paul Hawksworth, Arbitrator Elizabeth M. Thompson, Umpire

## EMPLOYERS INSURANCE COMPANY OF WAUSAU Respondent

### **REVISED FINAL AWARD**

This arbitration was commenced by demand served by Paladin Reinsurance Corporation (Paladin) dated November 28, 2006. Respondent Employers Insurance Company of Wausau (Wausau) filed a Motion to Dismiss Paladin's claims as time barred. After full briefing and submission of evidence by the parties, the Panel conducted a telephonic hearing on August 8, 2007. The Panel after having considered and deliberated concerning the evidence presented and the written and oral submissions of the parties, issued its award on August 29, 2007. Subsequently Paladin requested the Panel to clarify its award. The Panel after having considered the parties' submissions with respect to Paladin's request for clarification issues, the following revised final award:

- 1 Both parties submitted documentary evidence in support of their respective positions. The parties acknowledged that the panel has been provided with all the information required to rule on the issue raised by Wausau's motion. See August 8 2007 Hearing Transcript, p.52. The Panel therefore has treated this motion as a Motion for Summary Judgment.
- 2 It is undisputed that New York law applies to the contracts at issue and that the governing statute of limitations is the latter of six years from the date of the alleged breach or two years from the date Paladin knew of or through the exercise of reasonable diligence could have discovered the alleged breach
- 3 The Panet finds that Paladin knew of, or with the exercise of reasonable diligence could have discovered. Wausau's alleged breach of the retention warranties in the facultative certificates at issue more than two years prior to October 26, 2001. Accordingly the Panel finds that Paladin's claims in this proceeding are time barred.
- 4 Each party shall bear its own costs and fees and the fees and expenses of its party appointed arbitrator. Each party shall pay one half of the fees and costs of the unipire. The fees and expenses of the arbitrators and umpire shall be paid within 30 days of submission of their billings.



## 5. All other requests of the parties are denied

Dated September 12 2007
Robert Robinson Arbitrator Will Ly Panisson
Robert Robinson Arbitrator WW 111 2011/1887/)-
Paul Hawksworth, Arbitrator End Ly Deliverish
Lizalih Lil ) Flizabeth M Thompson Umpire
J. Marian M. Monipson Simple

117"

CERTIFIC...E OF CASUALTY FACULTATIVE & SURANCE

# PALADIN REINSURANCE CORPORATION

NEW YORK, NEW YORK

CEDING CO. AND ADDRESS

Employers Insurance of Wausau A Mutual Company C/O PCM Intermediaties 130 William Street New York, New York 10038

RENEWING CERTIFICATE	
REPLACING CERTIFICATE	
PRODUCER CODE NO.	<u>-</u>

CERTIFICATE NUMBER

C \_ 1410

	DECL	ARATION:	<u></u>		
			_		
5736-00-200538					
9/1/83 ~ 9/1/86		CERT	IFICATE PERIO		86
Professional Li	ability (as	per origi	nal)		
\$10,000,000 ez	cl/agg in ex	cess of \$	750,000 ea	c1// \$2,000,0	00 agg SIR
					cl/agg in excess
\$ <del>500,00</del> 0 \$ 75	<b>00</b> 0	-			
\$300,000				_	
EXCESS OF LOSS	XX	CONTRIBUTION	IG EXCESS	□non-co	NCURRENT
90 DAY	S NOTICE				
\$12 <u>,</u> 500.00	<del>-</del>	<b>K</b> FIXED	DEPOSIT	CED	. сомм. 25%
PAYABLE	ESTIMATED	PREMIUM BA	SE	RATE	EST. PREMIUM
· · ·					
TBA TBA					\$9,375.00
<del></del>	MINIM	UM PREMIUM	- FOR REINSUR	ANCE PERIOD	
			- FOR REINSUR	ANCE PERIOD	\$9,375.00
	New York, New Y  5736-00-200538  9/1/83 - 9/1/86  Professional Li \$10,000,000 ea  This Layer: \$3, of  \$300,000  EXCESS OF LOSS  90  DAY  \$12,500.00  PAYABLE \$12,500.00  TBA	American Bureau of Shipping New York, New York 10006  5736-00-200538  9/1/83 - 9/1/86  Professional Liability (as \$10,000,000 ea c1/agg in ex This Layer: \$3,000,000 ea c of \$750,000 ea  \$500,900	American Bureau of Shipping New York, New York 10006  5736-00-200538  9/1/83 - 9/1/86  Professional Liability (as per origi \$10,000,000 ea c1/agg in excess of \$ This Layer: \$3,900,000 ea c1/agg in	Sew York, New York	American Bureau of Shipping New York, New York 10006  5736-00-200538  9/1/83 - 9/1/86  Professional Liability (as per original) \$10,000,000 ea c1/agg in excess of \$750,000 ea c1// \$2,000,0 This Layer: \$3,000,000 ea c1/agg in excess of \$2,000,000 ea of \$750,000 ea c1/ \$2,000,000 ea of \$750,000 ea c1/ \$2,000,000 ea of \$750,000 ea c1/ \$2,000,000 agg SIR  \$500,000



123 WILLIAM STREET

NEW YORK, NEW YORK 10038

#### (hereinafter called the Reinsurer)

In consideration of payment of the premium, and subject to the terms, conditions and limits of liability set forth herein and in the Declarations made a part hereof, the Reinsurer does hereby reinsure the ceding company named in the Declarations (herein called the Company) in respect of the Company's Policy as follows:

#### REINSURING AGREEMENTS AND CONDITIONS

- A. REINSURER'S LIABILITY & RETENTION, The Company warrants to retain for its own account, the Company Retention specified in the Declarations of this Certificate. The liability of the Reinsurer as specified in the Declarations, shall follow that at the Company, subject in all respects to all Declarations, shall follow that at the Company's policy except when otherwise specifically provided herein or designated as non-concurrent reinsurance in the Declarations. The Reinsurer's certificate period shall be as specified in the Declarations at the place specified in the Company's policy. The Company shall furnish the Reinsurer with a copy of its policy and all endorsements therefor and agrees to notify the Reinsurer promptly of all changes which is any money affect the Confidence. in any manner affect this Certificate.
- CLAIMS AND SETTLEMENT. The Company shall settle all claims under its policy in accordance with its terms and conditions. Prompt notice shall be given in writing to the Reinsurer by the Company of any occurrence which appears likely to involve this reinsurance or of any occurrence which in the given in writing to the Reinsurer by the Company of any occurrence which appears likely to involve this reinsurence or of any occurrence which in the Company's estimate the value of injuries or dameges bought (without regard to liability might result in a judgment in an amount sufficient to involve this certificate; or where the Company lips created a loss reserve of fifty (50) per cent or greater of the Company's returnon set forth in Item 3 of the declarations; or if this reinsurance is on a continuous excess basis when notice of claim is received by the Company. The Company will further advise the Reinsurer, in writing, in a complete and timely manner of all developments relating to the datum. While the Reinsurer those not undertole to investigate or datend claims it shalf onwertheless have the report and be given the opportunity to associate with the Company and its representatives at the Reinsurer's expense in the deterned and control of any claim, but or propredig involving this reinsurance, with the full cooperation of the Rompany. All claims involving this reinsurance, with the full cooperation of the Rompany. All claims involving this reinsurance who shall be bound to pay its proportion of such settlements. In addition thereto, the Heinsurer shall be bound to pay. (1) its proportion of expenses (other than Company salaries and office expenses) incurred by the Company in the investigation and retilement of claims or surts, and (2) its proportion of court costs, interest on any judgment or oward and litigation expenses (provided in prior consent to legal proceedings has been obtained from the Reinsurer's loss payment boars to the Company's gross instructed that the Reinsurer's loss payment boars to the Company's gross limit of liability.

of liability bears to the Company's gross limit of liability.

- C. PROOF OF LOSS. The Company shall furnish proof that payment of a loss and loss expense has actually been made by the Company and payment by the Reinsurer of its proportion thereof shall be made promptly, provided, however, in the event of insolvency of the Company payment by the Reinsurer of its proportion of loss and loss expense which the Company has incurred or for which it is liable, shall be made to the figuriator, receiver or statutory succesor of the Company in accordance with the provisions of Section I. of those general conditions.
- INSPECTION OF RECORDS. At the request of the Reinsurer the Company shall place at its disposal and Reinsurer shall have the right at all reasonable times in the office of the Company, or elsewhere it mutually agreed, to inspect all books records and papers of the Company in any way pertaining to reinsprance provided hereunder, including but not limited to claims in
- E. SALVAGE. The Reinsurer will be paid or credited by the Company with its proportion of salvages i.e., reimbursement obtained or recovery made by the Company, less the actual cost (excluding Company salaries and office expenses) of obtaining such reimbursement of making such recovery. If the reinsurance afforded by this Certificate is on an Excess of Loss hasis, salvage shall be applied in the inverse order in which flability attaches.
- OFFSET. The Heinsurer may offset any balance(s) whether on account of premiums, claims remay oriser any parancels) whether on account of premiums, claims losses, adjustment expense, talwage or any other amount(s) due from one party to the other under this Certificate or under any other agreement heretofore or hereafter entered into between the Company and the Reinsurer whether acting as assurance remains remainer or as and any account account. Reinsurer whether acting as assuming reinsurer or as ceding company
- G. WAR AND NUCLEAR EXCLUSION. The reinsurance hereunder is subject to "Nuclear", "Nuclear Exclusion" and "War Exclusion" Clauses considered standard for the coverage provided.
- H. PRIOR ATTACHMENT. If the reinsurance hereunder attaches prior to the date of acceptance, the Company warrants that there are no known or reported losses which might be recoverable under this Certificate as of the date.
- CANCELLATION. (a) Should the Company's policy be cancelled, this CANCELLATION. (a) should the company's policy be cancelled upon prior written notice by the Company or by the Remisurer upon not less than the number of days listed on item 6 of the Declarations, which notice shall state when thereafter the reinsurance afforded hereby shall termi-

nate. Proof of mailing shall be deemed proof of notice and calculation of the earned premium shall follow the Company calculation in the use of short rate or pro-rate tables. (b) in the event of non-payment of premium this Certificate may be concelled by the Ruinsurer by giving not less than ten days prior written notice stating when the reinsurance afforted heighty shall terminate. Proof of mailing shall be deemed proof of notice.

- TAXES. The Company shall be liable for taxes on premiums orded to Reinsurer under this Curtificate
- K. ENDORSEMENTS. The terms of this Certificate shall not be waived, amended or in any way modified unless contained in an endorsement to this Certificate, executed by a duly authorized representative of the fleinsurer.
- 1. INSOLVENCY, in the event of the insolvency of the Company, this reinsurance shall be payable directly to the Company, or to its liquidator, receiver, conservator or statutory successor on the busis of the hability of the Company without diminution because of the insolvency of the Company of the Company without diminution because of the insolvency of the Company of the Company has failed to pay all or a portion or any plann. It is agreed, however, that the Foulidator, receiver, conservator or statutory successor of the Company that give written notice to the Reinsource of the pendency of a claim against the Company on the policy reinsolved which claim would involve a possible failthy on the part of the Reinsource within a reasonable time after such claim; if on the conservator or significant propesting on a this associated with a failed to company the pendency of such claim, the Reinsource within a resolvership and that company or insolvership, and so we expense in the proceed on where such claim is the supported, any define, or defined the Reinsource shall be changeable, subject to the apparent of the court, against the Company as part of the expense if some type course to the Company solely as a result of the defense undertaken by the Reinsource M. ABBIT PLATION. Should an arreconciliating directore of opinion was as INSOEVENCY. In the event of the insolvency of the Company, this rein-
- to the Company solely as a result of the defense undertaken by the Reinsuran M. ARBITAATION Should an irreconciliate difference of opinion wise as to the interpretation of the Contract, it is hareby mutually agreed, thus, as a condition precedent to any right of actions reconder such difference when his submitted to arbitration, one arbitration be chosen by the Company, the dy the Reinsurar, and an unique to be encen by the two arbitration, in the event that either party should fail to choose an arbitration, in the event that either party should fail to choose an arbitration, in the event that either party should fail to choose an arbitration, the requesting party may choose two arbitration who shall in turn choose an umpire before entering upon arbitration. Each party shall present its case to the arbitres within sixty days following the date of their appointment. The decision of the arbitres shall be final and binding upon both parties, but failing to agree they shall call in the umpire and the decision of the expense of its own arbitra, and shall jointly and equally bear with the other the expenses of the umpire and of the arbitration. In the event that the two arbites are chosen by one party, as above provided, the expense of the arbitres, the umpire, and the arbitration shall be equally divided between the two parties.

Any such artifration shall take place at New York, N.Y., unless some other location is mutually agreed upon by the two parties in interest.

- INTERMEDIARY. The Intermediary named herein is hereby recognized N. INTERMEDIARY. The Intermediary named herein is hereby recognized as the intermediary negotiating this Reinsurance for all business hereunder. All communications (including but not limited to notices, statements, premiums, return premiums, commissions, taxes, losses, loss adjustment expense, salvegos, and loss settlements) relating thereto shall be transmitted to the Company or the Reinsurer through the intermediary. Payments by the Company to the Intermediary shall be deemed to constitute payment to the Reinsurer to the Intermediary shall be deemed only to constitute payment to the Company to the extent that such payments are actually received by the Company.
- NON-CONCURRENT shall mean the reinsurance provided does not apply to any hazards of risks of loss or damage covered under the Company's policy other than those specifically set forth in the Declarations and/or endorsements attached. The retention of the Company and the liability of the Remsurer shall be determined as though the Company's policyfies) applied only to the hazards or risk of loss or damage specifically described in the Declarations and/or endorsements attached.
- P. EXCESS OF LOSS shall mean the limit of liability of the Reinsurer, as stated, applies(y) only to that portion of loss within the policy limits in excess of the applicable retention of the Company as stated in the Declarations.
- CONTRIBUTING EXCESS shall mean the Company's policy applies in excess of other valid insurance, reinsurance or a self-insured retention and the limit(s) of liability of the Reinsurance orpoportionally to all loss settlements within policy limits in the proportion set forth in Item No. 4 of the Declarations.

IN WITNESS WHEREOF the PALADIN REINSURANCE CORPORATION has caused this Certificate to be signed by its President and Secretary, but same shall not be binding upon the Reinsurer unless countersigned by an authorized representative of the Reinsurer.

Jourselle & Societary

- s head be resident president

A Company Managed By SYNCORP

ENDORSEMENT NO.:1
THIS ENDORSEMENT, EFFECTIVE 9/1/84, FORMS A PART OF
CONTRACT NO.: C 1410 ISSUED TO Employers Insurance of Wausau, a Mutual Co.
ORIGINAL INSURED: American Bureau of Shipping POLICY NO.: 5736-00-200538
In consideration of the original premium charged it is understood and agreed that the company policy period is amended to read as follows:
September 1, 1983 to September 1, 1984
It is further agreed that this certificate is terminated as of September 1, 1984 at 12:01 A.M. standard time at the address of the named insured.
ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

123 William Stree'. • New York, New York 10038 • Telephone 212-732-0825 • Telex 141498

Jaise, Leman Authorized Signature

DATE: \_\_ October 4, 1984

CER	TIFI	CAT	۲Ė	NUMBER
C	11	4	3	

CERTIFICATE OF CASUALTY FACULTATIVE REINSURANCE

# PALADIN REINSURANCE CORPORATION

NEW YORK, NEW YORK

CEDING CO. AND ADDRESS

Employers Insurance of Wausau a Mutual Company

	 _	_	
RENEWING CERTIFICATE			
REPLACING CERTIFICATE		-	
PRODUCER CODE NO.			

C/O J.	L. Kelley,	Inc.			ODE NO.					
59 John	Street						ļ			
	k, N.Y.	1.0038								
ATTENTION:		C	DECLARATION	S						
INSURED & ADDRESS	A. Epsteir Chicago, 1	& Sons Inte	ernational, I							
COMPANY POLICY NUMBER	5733-00-30	5733-00~300096								
COMPANY POLICY PERIOD	1/22/82 -	1/22/83	CERT	1/22/82	- 1/22/83	5				
ITEM 1 TYPE OF INSURANCE	Architects	s & Engineer	s Professiona	l Liability	- -					
ITEM 2 POLICY LIMITS AND APPLICATIONS	\$10,000,00 \$250,000 S expense	00 each clain Self Insured	m & annual ag Retention ea	gregate in ch and ever	excess of y claim in	nclùdi:	ng 			
ITEM 3 COMPANY RETENTION	A) \$100,000 part of \$2,000,000 each claim & agg excess of S.I.R.  B) \$2,000,000 part of \$3,000,000 each claim & agg in excess of A  C) \$5,000,000 each claim & agg in excess of B, all including other facultative reinsurance									
ITEM 4 REINSURANCE ACCEPTED	A) \$100,000 part of \$2,000,000 each claim & agg excess of S.I.R. B) \$400,000 part of \$3,000,000 each claim & agg XS of \$2,000,000 C) nil part of \$5,000,000 XS of \$5,000,000									
ITEM 5 BASIS OF REINSURANCE	□ EXCESS OF LOSS ☐ CONTRIBUTING EXCESS ☐ NON-CONCURRENT						JRRENT			
ITEM 6 CANCELLATION	45	DAYS NOTICE	Being 15 days	plus orig	ina <u>l</u>					
PREMIUM THIS CERTIFICATE	\$A) \$7,40 B) \$7,60	0 0 Total \$15,	,000.	DEPOSIT	· 	CED. CC	омм. 25%			
INSTALLMENTS PA			ATED PREMIUM BA	SE	RATE		EST. PREMIUM			
AT INCEPTION							\$11,250.00 Net			
DATE	ļ						Being			
DATE							\$15,000.00 Less Cede Comm.			
DATE			MINIMUM PREMIUN	I FOR REINSUR	ANCE PERIOD					
OATE _February	25, 1982	_	BY AUTHORIZ	WEATE EN SIGNATURE						

ENDORSEMENT NO : 1

RECEIVED WAUSAU INT'L

JUN 1 1982

This endorsement, effective January 22, 1982 forms a part of

Contract No.: C 1143 issued to Employers Insurance of Wausau - A Mutual Co.

Original Insured: A. Epstein & Sons et al Policy No.: 5733-00-300096

In consideration of an additional premium of \$187.50 Net being \$250.00 less 25% ceding commission it is agreed that reinsurance of #7 of original cover is accepted under this certificate.

ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

DATE: 3 / 5 / 82

Authorized Signature

ENDORSEMENT NO.: 2

RECEIVED WAUSAU INT'L

JUN 11982

This endorsement, effective January 22, 1982 forms a part of Contract No.: C 1143 issued to Employers Ins. of Wausau - A Mutual Comp.

Original Insured: A. Epstein & Sons, etal Policy No.: 5733-00-30096

It is understood and agreed that declarations on the certificate are amended to read as follows:

Item 3 - Company Retention (A) \$1,400,000 part of \$2,000,000 excess of SIR

(B) nil this layer

(C) \$2,000,000 part of \$5,000,000 excess of \$5,000,000 excess of STR

Item 6 <u>Cancellation</u> should read <u>75 days</u> in all

か見の屋のVIBIN MAR I U 1982

ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

DATE: 3/8/82

Authorized Signature

RECEIVED WAUSAU INT'L

JUN 1 1982

This endirsement, effective January 22, 1982 forms a part of Contract No.: C 1143 issued to Employers Ins. of Wansau - A Mutual Co. Original Insured: A. Epstein & Sons, Policy No.: 5733-00-30096

It is understood and agreed that declarations on the certificate are amended to read as follows:

Item 3 - Company Retention (A) \$1,400,000 part of \$2,000,000
excess of SIR.

(B) Nil this layer (C) \$1,100,000 part of \$5,000,000 excess of SIR

Item 6 Cancellation should read 75 days in all



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DATE: 3/7/82

## PALADIN REINSURANCE CORPORATION AUSAU INT'L

ENDORSEMENT NO.: 2 (2nd Revision) ECEIVED WAUSAU INTE

MAY 0 6 1982

This endorsement, effective <u>January 22, 1982</u> forms a part of

Contract No.: <u>C 1143</u> issued to <u>Employers Ins. of Wausau-A Mut</u>ual Co.

Original Insured: <u>A. Epstein & Sons</u> Policy No.: <u>5733-00-3000</u>96

etal

It is understood and agreed that declarations on the certificate are amended to read as follows:

Item 3 - Company Retention (A) \$1,400,000 part of \$2,000,000 excess of SIR.

(B) Nil this layer

(C) \$1,100,000 part of \$5,000,000 excess of \$5,000,000

Item 6 <u>Cancellation</u> should read 75 days in all

RECEIVED WALISALI INTL

JUN 1 1982

THE APP O DO

ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

DATE: 4/29/82

Anthorized Signature

## CERTIFICATE OF CASUALTY FACULTATIVE REINSURANCE

# PALADIN REINSURANCE

NEW YORK, NEW YORK

WAUSAU INT'L

C 1161

CERTIFICATE NUMBER

CEDING CO. AND ADORESS

Employers Insurance of Wausau A Mutual Company

HENEWING CERTIFICATE	AFR 1.9 1982
REPLACING CERTIFICATE	
PRODUCER CODE NO.	

	CM Interme		Ltd.			CODE NO.	<u>_</u>	
	liam Stree				·		<u> </u>	
	rk, N.Y.	10038						ļ
ATTENTION: Mr. A1	fred Amen	1 _—	DECLARA	TIONS	<del>-</del>			
INSURED & ADDRESS	Coopers New York	Lybrand	10020					
COMPANY POLICY NUMBER	5733-00-	100061						
COMPANY POLICY PERIOD	3/1/82	- 3/1/83		CERTI	3/1/8		/1/83	
ITEM 1 TYPE OF INSURANCE	Accounta	nts Profe	essional	Liab	ility			
ITEM 2 POLICY LIMITS AND APPLICATIONS	This Lay \$3,000,0 thereaft	er: \$613 00 each c er	3,500 pa: :laim/\$6	rt of ,000,	\$7,000 000 agg	,000 ex regate	cess \$1,00	of 0,000
ITEM 3 COMPANY RETENTION	\$363,500	. net tre	eaty and	othe	r facul	tative	reins	urance
ITEM 4 REINSURANCE ACCEPTED	\$250,000		_					
ITEM 5 BASIS OF REINSURANCE	□ EXCESS OF	LOSS	Юсоит	RIBUTING	EXCESS		□ NON-C	ONCURRENT
ITEM 8 CANCELLATION	4 5	DAYS NOTICE						
PREMIUM THIS CERTIFICATE	\$50,000.	<del>-</del>	1 <b>X</b> O F	IXED	DEPOSIT		CE	D. COMM. 27.5%
INSTALLMENTS PA	AYABLE	EST	IMATED PREM	ILUM BAS	<u> </u>	—— <del>*</del>	ATE	EST, PREMIUM
DATE						}		\$36,250. Net
DATE								Being \$50,000. Less
DATE								Ceding Comm.
			MINIMUM PE	REMIUM.	FOR REINSL	JRANCE PER	100	

DATE April 5, 1982

CERTIFICATE NUMBER **6** 1346

## PALADIN REINSURANCE CORPORATION

NEW YORK, NEW YORK

CEDING CO. AND ADDRESS

DATE \_ March 22, 1983-

Employers Insurance of Wausau - A Mutual Company

RENEWING CERTIFICATE C1161 REPLACING CERTIFICATE PRODUCER CODE NO.

c/o PCM Intermediaries, Inc. 130 William St. ATTENTION: \_New York, B.Y. 10038 DECLARATIONS INSURED Coopers & Lybrand & ADDRESS New York, N.Y. 10020 COMPANY POLICY NUMBER 5734-00-100061 CERTIFICATE PERIOD COMPANY POLICY 3/1/83 to 3/1/84 3/1/83 to 3/1/84 PERIOD ITEM 1 TYPE OF INSURANCE Excess Accountants Professional Liability \$613,500 part of \$7,000,000 each claim/aggregate excess of ITEM 2
POLICY LIMITS \$3,000,000 each claim / \$6,000,000 aggregate with a \$1,000,000 each claim deductible thereafter AND APPLICATIONS ITEM 3 \$163,500 each claim/aggregate part of total limits stated in item 2 COMPANY Net & Treaty RETENTION ITEM 4 \$250,000 each claim/aggregate opart of total limits stated in item 2 REINSURANCE ITEM 5 ☐NON-CONCURRENT BASIS OF REINSURANCE ☐ EXCESS OF LOSS **図CONTRIBUTING EXCESS** ITEM 6 DAYS NOTICE 45 CANCELLATION PREMIUM THIS CERTIFICATE \$50,000.00 ∏FIXED DEPOSIT CED. COMM. 30% INSTALLMENTS PAYABLE ESTIMATED PREMIUM BASE RATE EST. PREMIUM AT INCEPTION DATE \$35,000.00 DATE DATE MINIMUM PREMIUM - FOR REINSURANCE PERIOD

AUTHORIZED SIGNATURE



123 WILLIAM STREET NEW YORK, NEW YORK 10038

## (hereinafter called the Reinsurer)

In consideration of payment of the premium, and subject to the terms, conditions and limits of liability set forth herein and in the Declarations made a part hereof, the Reinsurer does hereby reinsure the ceding company named in the Declarations (herein called the Company) in respect of the Company's Policy as follows:

#### REINSURING AGREEMENTS AND CONDITIONS

- REINSURER'S LIABILITY & RETENTION, The Company warrants to retain for its own account, the Company Retention specified in the Declara-tions of this Certificate. The liability of the Reinsurer as specified in the Declarations, shall follow that of the Company; subject in all respects to all terms, conditions, and limits of the Company's policy except when otherwise specifically provided herein or designated as non-concurrent reinsurance in the Declarations. The Reinsurer's certificate period shall be as specified in the Declarations at the place specified in the Company's policy. The Company shall furnish the Reinsurer with a copy of its policy and all endorsements thereto and agrees to notify the Reinsurer promptly of all changes which thereto and agrees to notify the financy manner affect this Certificate.
- CLAIMS AND SETTLEMENT. The Company shall settle all claims under its policy in accordance with its terms and conditions. Prompt notice shall be given in writing to the Heinsurer by the Company of any occurrence which appears (ikely to involve this reinsurance or of any occurrence which in the Company's estimate the value of injuries or damages sought (without regard to liability might result in a judgment in an amount sufficient to involve this certificate; or where the Company has created a loss reserve of fifty (50) percent or greater of the Company's retention set forth in Item 2 of the declarations; or if this reinsurance is on a contributing excess basis when notice of claim is received by the Company. The Company will further advise the Beinsurer, in writing, in a complete and timely manner of all developments relating to the claim. While the Beinsurer does not undertake to investigate or relating to the claim. While the reinsurer does not under take to investigate of defend claims it shall nevertheless have the right and be given the apportunity to associate with the Company and its representatives at the Reinsurer's expense in the defense and control of any claims, suit or proceeding involving this reinsurance, with the full cooperation of the Company

this reinsurance, with the full cooperation of the Company All claims involving this reinsurance when settled by the Company shall be binding on the Reinsurer who shall be bound to pay its proportion of such settlements. In addition thereto, the Reinsurer shall be bound to pay: (1) its proportion of expenses (other than Company salaries and office expenses) incurred by the Company in the investigation and settlement of claims or suits, and (2) its proportion of court costs, interest on any judgment or award and litigation expenses (provided its prior consent to legal proceedings has been obtained from the Reinsurer), as follows: (a) with respect to reinsurance provided on an Excess of Loss basis, in the ratio that the Reinsurer's loss payment bears to the Company's gross loss payments, and (b) with respect to reinsurance provided on a Pro-Rata basis, in the ratio that the Reinsurer's limit of liability bears to the Company's gross limit of liability. of liability bears to the Company's gross limit of liability.

- PROOF OF LOSS. The Company shall furnish proof that payment of a the Company shart turnish proof that payment of a loss and loss expense has actually been made by the Company and payment by the Reinsurer of its proportion thereof shall be made promptly; provided, however, in the event of insolvency of the Company payment by the Reinsurer of its proportion of loss and loss expense which the Company has incurred or for which it is liable, shall be made to the liquidator, receiver or statutory successor of the Company in accordance with the provisions of Section 1 of these general conditions. these general conditions.
- D. INSPECTION OF RECORDS. At the request of the Reinsurer the Company shall place at its disposal and Reinsurer shall have the right at all reasonable times in the office of the Company, or elsewhere if mutually agreed, to inspect all books records and papers of the Company in any way pertaining to the reinsurance provided hereunder, including but not limited to claims in connection therewith.
- SALVAGE. The Reinsurer will be paid or credited by the Company with Its proportion of salvages i.e., reimbursement obtained or recovery made by the Company, less the actual cost (excluding Company salaries and office expenses) of obtaining such reimbursement of making such recovery. If the reinsurance afforded by this Certificate is on an Excess of Loss basis, salvage shall be applied in the inverse order in which liability attaches.
- OFFSET. The Reinsurer may offset any balance(s) whether on account of premiums, claims, losses, adjustment expense, salvage or any other amount(s) due from one party to the other under this Certificate or under any other agreement heretofore or hereafter entered into between the Company and the Reinsurer whether acting as assuming reinsurer or as ceding company.
- G. WAR AND NUCLEAR EXCLUSION. The reinsurance hereunder is subject to "Nuclear", "Nuclear Exclusion" and "War Exclusion" Clauses considered standard for the coverage provided.
- PRIOR ATTACHMENT. If the reinsurance hereunder attaches prior to the date of acceptance, the Company warrants that there are no known or eported losses which might be recoverable under this Certificate as of the date this reinsurance is accepted.
- this tensities accepted.

  CANCELLATION. (a) Should the Company's policy be cancelled, this Certificate shall terminate simultaneously. This Certificate may also be cancelled upon prior written notice by the Company or by the Reinsurer upon not less than the number of days listed on Item 6 of the Declarations, which notice shall state when thereafter the reinsurance afforded hereby shall terminate afforded hereb

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- nate. Froof of mailing shall be deemed proof of notice and calculation of the earned premium shall follow the Company calculation in the use of short rate or pro-rate tables. (b) in the event of non-payment of premium this Certificate may be cancelled by the Reinsurer by giving not less than ten days prior written notice stating when the reinsurance afforded hereby shall terminate. Proof of mailing shall be deemed proof of notice.
- TAXES. The Company shall be liable for taxes on premiums ceded to Reinsurer under this Certificate.
- K. ENDORSEMENTS. The terms of this Certificate shall not be waived, amended or in any way modified unless contained in an endorsement to this Certificate, executed by a duly authorized representative of the Reinsurer.
- L. INSOLVENCY. In the event of the insolvency of the Company, this reinsurance shall be payable directly to the Company, or to its liquidator, receiver, conservator or statutory successor on the basis of the kability of the Company without diminution because of the insolvency of the Company or because the inquidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Reinsurer of the pendency of a claim against the Company on the policy reinsured which claim would involve a possible liability on the part of the Reinsurer within a reasonable time after such claim is filled in the conservator or liquidation proceeding or in the receivership, and that during the pendency of such claim, the Reinsurer may investigate such claim and interpose, at its own expense in the proceeding where such claim is to be odjudicated, any defense or releases which it may deem available to the Company or its liquidator, receiver, conservator or statutory successor. The expense INSOLVENCY. In the event of the insolvency of the Company, this reinpany or its figuridator, receiver, conservator or statutory successor. The expense thus incurred by the Heinsurer shall be chargeable, subject to the approximation or the court, against the Company as part of the expense of conservation or liquidation to the extent of a pro rata share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.
- ARBITRATION. Should an irreconcilable difference of opinion arise as M. ARBITRATION. Should an irreconcilable difference of opinion arise as to the interpretation of this Contract, it is hereby mutually agreed, that, as a condition precedent to any right of action hereunder, such difference shall be submitted to arbitration, one arbiter to be chosen by the Company, one by the Reinsurer, and air umpire to be chosen by the two arbiters before they enter upon arbitration. In the event that either party should fail to choose an arbiter within sixty days following a written request by the other party to enter upon arbitration, the requesting party may choose two arbiters who shall in turn choose an umpire before entering upon arbitration. Each party shall present its case to the arbiters within sixty days following the date of their papointment. The decision of the arbitrers shall be final and binding upon both parties, but failing to agree they shall call in the umpire and the decision of the majority shall be final and binding upon both parties. Each party shall bear the expense of its own arbiter, and shall jointly and equally bear with the other the expenses of the umpire and of the arbitration. In the event that the two arbiters are chosen by one party, as above provided, the expense of the arbiters are chosen by one party, as above provided, the expense of the orbiters, the umpire, and the arbitration shall be equally divided between the

Any such arbitration shall take place at New York, N.Y., unless some other location is mutually egreed upon by the two parties in interest.

- N. INTERMEDIARY. The Intermediary named herein is hereby recognized as the Intermediary negotiating this Reinsurance for all business hereunder. All communications lincluding but not limited to notices, statements, premiums, return premiums, commissions, taxes, losses, loss adjustment expense, salvages, and loss settlements) relating thereto shall be transmitted to the Company or the Reinsurer through the Intermediary. Payments by the Company to the Intermediary shall be deemed to constitute payment to the Reinsurer to the Intermediary shall be deemed only to constitute payment to the Company to the extent that such payments are actually received by the Company.
- O. NON-CONCURRENT shall mean the reinsurance provided does not apply to any hazards or risks of loss or damage covered under the Company's policy other than those specifically set forth in the Declarations and/or endorsements attached. The retention of the Company and the liability of the Reinsurer shall be determined as though the Company's policy lies! applied only to the hazards or risk of loss or damage specifically described in the Declarations and/or endorsements attached. Declarations and/or endorsements attached.
- P. EXCESS OF LOSS shall mean the limit of liability of the Reinsurer, as stated, applies(y) only to that portion of loss within the policy limits in excess of the applicable retention of the Company as stated in the Declarations.
- Q. CONTRIBUTING EXCESS shall mean the Company's policy applies in excess of other valid insurance, reinsurance or a self insured retention and the limit(s) of Hability of the Beinsurer applies proportionally to all loss settlements within policy limits in the proportion set forth in Item No. 4 of the Declarations.

IN WITNESS WHEREOF the PALADIN REINSURANCE CORPORATION has caused this Certificate to be signed by its President and Secretary, but same shall not be binding upon the Rainsurer unless countersigned by an authorized representative of the Reinsurer.

Secretary

Li wood & heather President

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## CERTIFICA: OF CASUALTY FACULTATIVE REIN DRANCE DAT ADTN DETINGTED ANCE

PALADIN REINSURANCE CORPORATION

NEW YORK, NEW YORK

CEDING CO. AND ADDRESS

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Employers Insurance of Wausau - A Mutual Company

RENEWING CERTIFICATE	C1162
REPLACING CERTIFICATE	
PRODUCER CODE NO.	

C/O PCI 130 H11 ATTENTION: L New Yor	f Intermediarie Liam St. ck, N.Y. 10038		<u>.                                    </u>					
INSURED & ADDRESS	Coopers & Ly Nww York, N.							
COMPANY POLICY NUMBER	5734-00-1000	62			-			
COMPANY POLICY PERIOD	3/1/83 to 33	o 371/84 CERTIFICATE PERIOD 3/1/84						
ITEM 1 TYPE OF INSURANCE	Excess Accou	ntants Professional Li	ability					
ITEM 2 POLICY LIMITS AND APPLICATIONS	COLU LEGIM H	art of \$10,000,000 eac ggregate excess of \$3, 0,000 each claim deduc	11(36) (36))) mag	ob alai-/04 Of	of \$7,000,000 00,000 aggregate			
ITEM 3 COMPANY RETENTION	\$160,000 eac Net & Treaty	h claim/aggregate part	of Total	limits stated	in item 2			
ITEM 4 REINSURANCE ACCEPTED	\$250,000 eac	b claim/aggregate part	of total	liwits stated	in item 2			
ITEM 5 BASIS OF REINSURANCE	□ EXCESS OF LOSS	CONTRIBUTING	G EXCESS	□non-co	NCURRENT			
ITEM 6 CANCELLATION	45 DAY	'S NOTICE						
PREMIUM THIS CERTIFICATE	\$18,125.00	FIXED	DEPOSIT	CED	. COMM. 27.57			
INSTALLMENTS PA	YYA8LE	ESTIMATED PREMIUM BAS	ie .	RATE	EST. PREMIUM			
DATE								
DATE					\$13,140.63			
DATE								
		MINIMUM PREMIUM	FOR REINSUR	ANCE PERIOD				
DATE	March 22, 19		D SIGNATURE	·				

123 WILLIAM STREET NEW YORK, NEW YORK 10038

## (hereinafter called the Reinsurer)

In consideration of payment of the premium, and subject to the terms, conditions and limits of hability set forth herein and in the Declarations made a part hereof, the Reinsurer does hereby reinsure the ceding company named in the Declarations (harein called the Company) in respect of the Company's Policy as follows:

#### REINSURING AGREEMENTS AND CONDITIONS

- REINSURER'S LIABILITY & RETENTION. The Company warrants to A. REINSURER'S LIABILITY & RETENTION. The Company warrants to retain for its own account, the Company Retention specified in the Declarations of this Certificate. The hability of the Reinsurer as specified in the Declarations, shall follow that of the Company, subject in all respects to all terms, conditions, and limits of the Company's policy except when otherwise specifically provided herein or designated as non-concurrent reinsurance in the Declarations. The Reinsurer's certificate period shall be as specified in the Declarations at the place specified in the Company's policy. The Company shall furnish the Reinsurer with a copy of its policy and all endorsements thereto and agrees to notify the Reinsurer prography of all changes which thereto and agrees to notify the Remsurer promptly of all changes which in any manner affect this Certificate.
- B. CLAIMS AND SETTLEMENT. The Company shall settle all claims under its policy in accordance with its terms and conditions. Prompt notice shall be given in writing to the Reinsuit by the Company of any occurrence which appears likely to involve this reinsurance or of any occurrence which in the Company's estimate the value of injuries or damages sought (without regard to liability might result in a judgment in an amount sufficient to involve this certificate; or where the Company has marted a loss reserve of fifty (50) percent or greater of the Company's retention set forth in Item 3 of the declarations; or if this reinsurance is on a contributing excess basis when notice of claim is received by the Company. The Company will further advise the Reinsurer, in writing, in a complete and timely manner of all developments relating to the claim. While the Reinsurer does not undertake to investigate or defend claims it shall nevertheless have the right and be given the opportunity to associate with the Company and its representatives at the Reinsurer's expense in the defense and control of any claims, suit or proceeding involving this reinsurance, when settled by the Company shall be binding on the Reinsurer who shall be bound to pay its proportion of such settlements. In addition therato, the Reinsurer shall be bound to pay' (1) its proportion of expenses in their than Company solaries and office expenses) incurred by the Company in the investigation and settlement of claims or suits, and (2) its proportion of court costs, interest on any judgment or award and litigation expenses (provided its prior consent to legal proceedings has been obtained from the Reinsurer), as Iollows: (a) with respect to reinsurance provided on a Excess of Loss basis, in the ratio that the Reinsurer's limit of liability bears to the Company's gross limit of hability.

  C. PROOF DF LOSS. The Company shall furnish proof that payment by loss and loss expense has actually been marked by the Company and naturent by CLAIMS AND SETTLEMENT. The Company shall settle all claims under

C. PROOF DF LOSS. The Company shall lumish proof that payment of o loss and loss expense has actually been made by the Company and payment by the Reinsurer of its proportion thereof shall be made promptly; provided, however, in the event of insolvency of the Company payment by the Reinsurer of its proportion of loss and loss expense which the Company has incurred or for which it is liable, shall be made to the liquidator, receiver or statutory successor of the Company in accordance with the provisions of Section L of these general conditions. these general conditions.

- D. INSPECTION OF RECORDS. At the request of the Reinsurer the Company shall place at its disposal and Reinsurer shall have the right at all reasonable times in the office of the Company, or elsewhere if mutually agreed, to inspect all books records and papers of the Company in any way pertaining to the reinsurance provided hereunder, including but not limited to claims in connection therewith.
- SALVAGE. The Reinsurer will be paid or credited by the Company with its proportion of salvages i.e., reimbursement obtained or recovery made by the Company, less the actual cost (excluding Company salaries and office expenses) of obtaining such reimbursement of making such recovery. If the reinsurance afforded by this Certificate is on an Excess of Loss basis, salvage shall be applied in the inverse order in which liability attaches.
- F. OFFSET. The Reinsurer may offset any balance(s) whether on account of premiums, claims, losses, adjustment expense, salvage or any other amount(s) due from one party to the other under this Certificate or under any other agreement heretofore or hereafter entered into between the Company and the Reinsurer whether acting as assuming reinsurer or as ceding company
- G. WAR AND NUCLEAR EXCLUSION. The reinsurance hereunder is subject to "Nuclear", "Nuclear Exclusion" and "War Exclusion" Clauses considered standard for the coverage provided.
- H. PRIOR ATTACHMENT: If the reinsurance hersunder attaches prior to the date of acceptance, the Company warrants that there are no known or reported losses which might be recoverable under this Certificate as of the date this reinsurance is accepted.
- I. CANCELLATION. (a) Should the Company's policy be cancelled, this Certificate shall terminate simultaneously. This Certificate may also be cancelled upon prior written notice by the Company or by the Reincurer upon not less than the number of days listed on Item 6 of the Declarations, which notice shall state when thereafter the reinsurance afforded hereby shall terminate affor

nate. Proof of mailing shall be deemed proof of notice and calculation of the earned premium shall follow the Company calculation in the use of short rate or pro-rata tables. (b) in the event of non-payment of premium this Certificate may be concelled by the Reinsurer by giving not less than ien days prior written notice stating when the reinsurance afforded hereby shall terminate. Proof of mailing shall be deemed proof of notice.

- TAXES. The Company shall be flable for taxes on premiums ceded to Reinsurer under this Certificate.
- ENDORSEMENTS. The terms of this Certificate shall not be waived, amended or in any way modified unless contained in an endorsement to this Certificate, executed by a duly authorized representative of the Reinsurer.
- INSOLVENCY. In the event of the insolvency of the Company, this rein-L. INSOLVENCY. In the event of the insolvency of the Company, this reinsurance shall be payable directly to the Company, or to its liquidator, receiver, conservator or statutory successor on the basis of the hability of the Company without diminution because of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Beinsurer of the pendency of a claim against the Company on the policy reinsured which claim would involve a possible hability on the part of the Reinsurer within a reasonable time after such claim is filed in the conservator or liquidation proceeding or in the receivership, and that the conservator or figuidation proceeding or in the incervership, and that during the pendency of such claim, the Reinsurer may investigate such claim and interpose, at its own expense in the proceeding where such claim is to be adjudicated, any defense or defenses which it may deem available to the Coinadjoicated, any defense or detenses which it may deem available to the company or its liquidator, receiver, conservator or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to the approval of the court, against the Company as part of the expense of conservation or liquidation to the extent of a pro-rata share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.
- M. ARBITRATION. Should an irreconcilable difference of opinion arise as to the interpretation of this Contract, it is hereby mutually agreed, that, as a condition precedent to any right of action hereunder, such difference shall be submitted to arbitration; one arbitor to be chosen by the Company, one by the Reinsorer, and an umpire to be chosen by the two arbitres before they enter upon arbitration. In the event that either party should fail to choose an orbitor within sixty days following a written request by the other party to enter upon arbitration, the requesting party may choose two arbitres who shall in turn choose an umpire before entering upon arbitration. Each party-shall present its case to the arbiters within sixty days following the date of their appointment. The decision of the arbitres shall be final and binding upon both parties, but failing to agree they shall call in the umpire and the decision of the majority shall be final and binding upon both parties. Each party shall beer the expense of its own arbiter, and shall jointly and equally bear with the other the expenses of, the umpire and of the arbitration. In the event that the two arbiters are chosen by one party, as above provided, the expense of the two parties. ARBITRATION. Should an irreconcilable difference of opinion arise as two parties.

Any such arbitration shall take place at New York, N.Y., unless some other location is mutually agreed upon by the two parties in interest.

- N. INTERMEDIARY. The Intermediary named herein is hereby recognized as the Intermediary negotiating this Reinsurance for all business hereunder. All communications (including but not fimited to notices, statements, premiums, return premiums, commissions, taxes, losses, loss adjustment expense, salvages, and loss settlements) relating thereto shall be transmitted to the Company or the Reinsurer through the Intermediary. Payments by the Company to the Intermediary shall be deemed to constitute payment to the Reinsurer. Payments by the Reinsurer to the Intermediary shall be deemed only to constitute payment to the Company to the average to the Intermediary shall be deemed only to constitute payment to the Company to the average that the lost the payments. only to constitute payment to the Company to the extent that such payments are actually received by the Company.
- o. NON-CONCURRENT shall mean the reinsurance provided does not apply to any hazards or risks of loss or damage covered under the Company's policy other than those specifically set forth in the Declarations and/or endorsements attached. The retention of the Company and the liability of the Reinsurer shall be determined as though the Company's policy lies) applied only to the hazards or risk of loss or damage specifically described in the Declarations and/or endorsements attached. Declarations and/or endorsements attached.
- EXCESS OF LOSS shall mean the limit of fiability of the Reinsurer, as stated, applies(y) only to that portion of loss within the policy limits in excess of the applicable retention of the Company as stated in the Declarations.
- CONTRIBUTING EXCESS shall mean the Company's policy applies in excess of other valid insurance, reinsurance or a self insured terration and the limit(s) of liability of the Reinsurer applies proportionally to all loss settlements within policy limits in the proportion set forth in Item No. 4 of the Declarations,

IN WITNESS VIHEREOF the PALADIN REINSURANCE CORPORATION has caused this Certificate to be signed by its President and Secretary, but same shall not be binding upon the Rainsurer unless countersigned by an authorized representative of the Reinsurer.

Er rost L. Watter President

## CERTIFIC/ = OF CASUALTY FACULTATIVE REVOLURANCE

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# PALADIN REINSURANCE CORPORATION

NEW YORK, NEW YORK

CEDING CO. AND ADDRESS

Employers Insurance of Wausau A Mutual Co.

RENEWING CERTIFICATE	1065	
REPLACING CERTIFICATE		
PRODUCER CODE NO.		

C/O PCM Intermediaires, Ltd.

ATTENTION: L		 DECLARATIONS		
INSURED & ADDRESS	Frank B. Hall Briarcliff Man	& Co., Inc. etal or NY 10510		
COMPANY POLICY NUMBER	5733-00-100240			
COMPANY POLICY PERIOD	8/1/82 to 8/1/	83 Cne Year		
ITEM 1 TYPE OF INSURANCE	Umbrella Liabi	ltiv including Profession	onal Liabil	ity
ITEM 2 POLICY LIMITS AND APPLICATIONS		ch claim/occurrence/aggr curance or self insurance		xcess of
ITEM 3 COMPANY RETENTION	various, net &	treaty declared to unde	ərwriters	
ITEM 4 REINSURANCE ACCEPTED	claim/occ/agg/	claim/occ/agg part of \$1 excess of \$5,000,000 ea underlying insurance or	ach claim/	each occ/
ITEM 5 BASIS OF REINSURANCE	□ EXCESS OF LOSS	CONTRIBUTING EXCESS	□non-co	NCURRENT
ITEM 6 CANCELLATION	105 DAYS NOT	ICE		
PREMIUM THIS CERTIFICATE	\$7496.00	☐FIXED ☐DEPOSIT	CED	. сомм. 22.5 <b>3</b>
INSTALLMENTS PA	AYABLE	ESTIMATED PREMIUM BASE	RATE	EST. PREMIUM
AT INCEPTION DATE				\$1980 00 mat
DATE				\$5809.00 net
DATE			_ <del>_</del>	
	<u> </u>	MINIMUM PREMIUM - FOR REINSURA	ANCE PERIOD	
DATE9/1/8	2	вү	<del></del> -	

#### PALADIN REMISORANGE GURFURATION

123 WILLIAM STREET NEW YORK, NEW YORK 10038

## (hereinafter called the Reinsurer)

In consideration of payment of the premium, and subject to the terms, conditions and limits of liability set forth herein and in the Declarations made a part hereof. the Reinsurer does hereby reinsure the ceding company named in the Declarations (herein called the Company) in respect of the Company's Policy as follows:

#### REINSURING AGREEMENTS AND CONDITIONS

- REINSURER'S LIABILITY & RETENTION, The Company warrants to A. HEINSUNEN'S LIABILITY & HELENTIUM, The Company warrants to retain for its own account, the Company Retention specified in the Declarations of this Certificate. The liability of the Reinsurer as specified in the Declarations, shall follow that of the Company's subject in all respects to all terms, conditions, and limits of the Company's policy except when otherwise specifically provided herein or designated as non-concurrent reinsurance in the Declarations. The Reinsurer's certificate period shall be as specified in the Declarations at the place period shall be as specified. in the Declarations at the place specified in the Company's policy. The Company shall furnish the Reinsurer with a copy of its policy and all endorsements thereto and agrees to notify the Reinsurer promptly of all changes which in any manner affect this Certificate.
- 8. CLAIMS AND SETTLEMENT. The Company shall settle all claims under its policy in accordance with its terms and conditions. Prompt notice shall be given in writing to the Reinsurer by the Company of any occurrence which appears likely to involve this reinsurance or of any occurrence which in the Company's estimate the value of injuries or damages sought (without regard to appears likely to involve this reinsurance or of any occurrence which in the Company's estimate the value of injuries or damages sought (without regard to liability might result in a judgment in an amount sufficient to involve this certificate; or where the Company has created a loss reserve of fifty (50) percent or greater of the Company's retention set forth in Item 3 of the declarations; or if this reinsurance is on a contributing excess basis when notice of claim is received by the Company. The Company will further advise the Reinsurer, in writing, in a complete and timely manner of all developments relating to the claim. While the Reinsurer does not undertake to investigate or defend claims it shall nevertheless have the right and be given the opportunity to associate with the Company and its representatives at the Reinsurer's expense in the defense and control of any claims, suit or proceeding involving this reinsurance, when settled by the Company shall be binding on the Reinsurer who shall be bound to pay its proportion of such settlements. In addition thereto, the Reinsurer shall be bound to pay. (1) its proportion of expenses (other than Company sataries and office expenses) incurred by the Company in the investigation and settlement of claims or suits, and (2) its proportion of court costs, interest on any judgment or award and litigation expenses (provided its prior content to legal proceedings has been bitained from the Reinsurer), as follows: (a) with respect to reinsurance provided on a Excess of Loss basis, in the ratio that the Reinsurer's loss payment bears to the Company's gross loss payments, and (b) with respect to reinsurance provided on a Pro-Rata basis, in the ratio that the Reinsurer's limit of liability bears to the Company's gross limit of liability.

- PROOF OF LOSS. The Company shall furnish proof that payment of a loss and loss expense has actually been made by the Company and payment by the Reinsurer of its proportion thereof shall be made promptly; provided, however, in the event of insolvency of the Company payment by the Reinsurer of its proportion of loss and loss expense which the Company has incurred or for which it is liable, shall be made to the liquidator, receiver or statutory successor of the Company in accordance-with the provisions of Section L of these peers! conditions these general conditions.
- D. INSPECTION OF RECORDS. At the request of the Reinsurer the Company shall place at its disposal and Reinsurer shall have the right at all reasonable times in the office of the Company, or elsewhere if mutually agreed, to inspect all books records and papers of the Company in any way pertaining to the reinsurance provided hereunder, including but not limited to claims in connection therewith.
- SALVAGE. The Reinsurer will be paid or credited by the Company with Its proportion of salvages i.e., reimbursement obtained or recovery made by the Company, less the actual cost (excluding Company salaries and office expenses) of obtaining such reimbursement of making such recovery. If the reinsurance afforded by this Certificate is on an Excess of Loss basis, salvage shall be applied in the inverse order in which liability attaches.
- OFFSET. The Reinsurer may offset any balance(s) whether on account of premiums, claims, losses, adjustment expense, salvage or any other amount(s) due from one party to the other under this Certificate or under any other agreement heretofore or hereafter entered into between the Company and the Reinsurer whether acting as assuming reinsurer or as ceding company
- G. WAR AND NUCLEAR EXCLUSION. The reinsurance hereunder is subject to "Nuclear", "Nuclear Exclusion" and "War Exclusion" Clauses considered standard for the coverage provided.
- H. PRIOR ATTACHMENT, If the reinsurance hereunder attaches prior to the date of acceptance, the Company warrants that there are no known or reported losses which might be recoverable under this Certificate as of the date this reinsurance is accepted.
- CANCELLATION. (a) Should the Company's policy be cancelled, this Certificate shall terminate simultaneously. This Certificate may also be cancelled upon prior written notice by the Company or by the Reinsurer upon not less than the number of days listed on Item 6 of the Declarations, which notice shall state when thereafter the reinsurance afforded hereby shall terminate or the company of the control of the

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- nate. Proof of mailing shall be deemed proof of notice and calculation of the earned premium shall follow the Company calculation in the use of short rate or pre-rata tables. (b) in the event of non-payment of premium this Certificate may be cancelled by the Reinsurer by giving not less than ten days prior written notice stating when the reinsurance afforded hereby shall terminate. Proof of mailing shall be deemed proof of notice.
- TAXES. The Company shall be liable for taxes on premiums ceded to Remsurer under this Certificate.
- ENDORSEMENTS. The terms of this Certificate shall not be waived amended or in any way modified unless contained in an endorsement to this Certificate, executed by a duly authorized representative of the Reinsurer.
- INSOLVENCY, in the event of the insolvency of the Company, this reinsurance shall be payable directly to the Company, or to its liquidator, receiver, conservator or statutory successor on the basis of the liability of the Company without diminution because of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Reinsurer of the pendency of a claim against the Comwritten notice to the Reinsurer of the pendency of a claim against the Company on the policy reinsured which claim would involve a possible liability on the part of the Reinsurer within a reasonable time after such claim is filed in the conservator or liquidation proceeding or in the receivership, and that during the pendency of such claim, the Reinsurer may investigate such claim and interpose, at its own expense in the proceeding where such claim is to be adjudicated, any defense or defenses which it may deem available to the Company of the liquidator specific proceeding. pany or its liquidator, receiver, conservator or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to the approval of the court, against the Company as part of the expense of conservation or liquidation to the extent of a pro rata share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.
- M. ARBITRATION. Should an irreconcilable difference of opinion arise as to the interpretation of this Contract, it is hereby mutually agreed, that, as a condition precedent to any right of action hereunder, such difference shall be submitted to arbitration, one arbiter to be chosen by the Company, one by the Beinsurer, and an umpire to be chosen by the two arbitrars before they enter upon arbitration. In the event that either party should fail to choose an arbiter within sixty days following a written request by the other party to enter upon arbitration, the requesting party may choose two arbitrars who shall not true choose an umpire before entering upon arbitration. Each party shall enter upon arbitration, the requesting party may choose two arbiters who shall in turn choose an umpire before entering upon arbitration. Each party shall present its case to the arbiters within sixty days following the date of their appointment. The decision of the arbiters shall be final and binding upon both parties, but failing to agree they shall call in the umpire and the decision of the majority shall be final and binding upon both parties. Each party shall beer the expense of its own arbiter, and shall jointly and equally bear with the other the expenses of the umpire and of the arbitration. In the event that the two arbiters are chosen by one party, as above provided, the expense of the arbitration shall be equally divided between the two parties.

  Any such arbitration, shall take place at New York, N.Y., unless some other

Any such arbitration shall take place at New York, N.Y., unless some other location is mutually agreed upon by the two parties in interest.

- N. INTERMEDIARY. The Intermediary named herein is hereby recognized as the Intermediary negotiating this Reinsurance for all business hereunder. All communications (including but not limited to notices, statements, premiums, return premiums, commissions, taxes, losses, loss adjustment expense, salvages, and loss settlements) relating thereto shall be transmitted to the Company or the Reinsurer through the Intermediary. Payments by the Company to the Intermediary shall be deemed only to constitute payment to the Reinsurer. Payments by the Reinsurer to the Intermediary shall be deemed only to constitute payment to the Company.
- O. NON-CONCURRENT shall mean the reinsurance provided does not apply to any hazards or risks of loss or damage covered under the Company's policy other than those specifically set forth in the Declarations and/or endorsements attached. The retention of the Company and the fiability of the Reinsurer shall be determined as though the Company's policy(ies) applied only to the hazards or risk of loss or damage specifically described in the Declarations and/or endorsements attached.
- EXCESS OF LOSS shall mean the limit of liability of the Reinsurer, as stated, applies(y) only to that portion of loss within the policy limits in excess of the applicable retention of the Company as stated in the Declarations.
- O. CONTRIBUTING EXCESS shall mean the Company's policy applies in excess of other valid insurance, reinsurance or a self insured retention and the limit(s) of liability of the Reinsurer applies proportionally to all loss settlements within policy limits in the proportion set forth in Item No. 4

IN WITNESS WHEREOF the PALADIN REINSURANCE CORPORATION has caused this Certificate to be signed by its President and Secretary, but some shall not be binding upon the Reinsurer unless countersigned by an authorized representative of the Reinsurer.

— Secretary

Le voul la hattur President

## CERTIFICATE OF CASUALTY FACULTATIVE REINSURANCE

C 1435

# PALADIN REINSURANCE CORPORATION

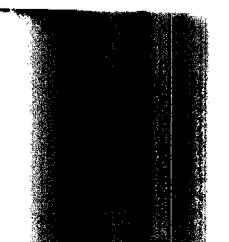
NEW YORK, NEW YORK

CEDING CO. AND ADDRESS

Employers Insurance of Wausau, A Mutual Company C/O New AmsterdamEExcess, Inc. 130 William Street New York, N.Y. 10038

RENEWING CERTIFICATE	
REPLACING CERTIFICATE	
PRODUCER CODE NO.	

ITENTION: L		DECLARATIONS		
INSURED & ADDRESS	Fred S. James &	Company & Wigham-Poland Hold:	ngs, Ltd.	
COMPANY POLICY NUMBER	(±) 5735~03~1001/	43 (B) 8253-03-670053	_	
COMPANY POLICY PERIOD	1/1/84 to 1/1/8	CERTIFICATE PERIOD	1/85	
ITEM 1 TYPE OF INSURANCE	Excess Umbrella	Including Professional Liabil:	Lt <del>y</del>	
ITEM 2 POLICY LIMITS AND APPLICATIONS	where applica B) L 1,250,000 p	rt ot \$5,000,000 each claim/or ble excess of underlying. art of L2,500,000 each claim/or ble excess of underlying		
ITEM 3 COMPANY RETENTION	A) \$750,000 B) £375,000	Net&Treaty Net&Treaty		
ITEM 4 REINSURANCE ACCEPTED	A) \$500,000 B) <b>L</b> 250,000	part of total limits set fort psrt of total limits set fort	h <b>above</b> h above	
ITEM 5 BASIS OF REINSURANCE	EXCESS OF LOSS	XXEXCONTRIBUTING EXCESS	□non-co	NCURRENT
ITEM & CANCELLATION	75 DAYS NO	TICE		
REMIUM THIS CERTIFICATE	\$25,000	FIXED DEPOSIT	CED	. COMM. 27,5Z
INSTALLMENTS P	AYABLE	ESTIMATED PREMIUM BASE	RATE	EST, PREMIUM
ATE				\$18,125,00
ATE				
		MINIMUM PREMIUM - FOR REINSURA	NCE PERIOD	
DATE May 31,	1984	BYAUTHORIZED SIGNATURE		



123 WILL: AM STREET NEW YORK, NEW YORK 10038

## (hereinafter called the Reinsurer)

In consideration of payment of the premium, and subject to the terms, conditions and limits of Hability set forth fierein and in the Declarations made a part hereof, the Reinsurer does hereby reinsure the ceding company named in the Declarations (herein called the Company) in respect of the Company's Policy as follows:

## REINSURING AGREEMENTS AND CONDITIONS

- A. REINSURER'S LIABILITY & RETENTION. The Company warrants to retain for its own account, the Company iteration specified in the Declarations of this Certificate. The hability of the Reinsurer as specified in the Declarations, shall follow that or the Company; subject in oil respects to all terms, conditions, and limits of the Company's policy except when otherwise specifically provided herein or designated as non-concurrent reinsurance in the Declarations. The Reinsurer's certificate period shall be as specified in the Declarations at the place specified in the Company's policy. The Company shall furnish the Reinsurer with a copy of its policy and all endorsements thereto and agrees to notify the Reinsurer promptly of all changes which in any manner affect this Certificate.
- thereto and agrees to notify the Reinsurer promptly of all changes which in any manner affect this Certificate.

  B. CLAIMS AND SETTLEMENT. The Company shall settle all claims under its policy in accordance with its terms and conditions. Prompt notice shall be given in writing to the Reinsurer by the Company of any occurrence which appears likely to involve this reinsurance or of any occurrence which in the Company's estimate the value of injuries or damages sought (without regard to liability might result in a judgment in an amount sufficient to involve this certificate; or where the Company has created a loss reserve of fifty (50) percent or greater of the Company's retention set forth in Item 3 of the declarations; or if this reinsurance is on a contributing excess basis when notice of claims is received by the Company. The Company will further advise the Reinsurer, in writing, in a complete and timely manner of all developments relating to the claim. While the Reinsurer does not undertake to investigate or defend claims it shall nevertheless have the right and be given the apportunity to associate with the Company and its representatives at the Reinsurer's expense in the defense and control of any claims, suit or proceeding involving this reinsurance, with the full cooperation of the Company.

  All claims involving this reinsurance when settled by the Company shall be binding on the Reinsurer who shall be bound to pay its proportion of such settlements. In addition thereto, the Reinsurer shall be bound to pay: (1) its proportion of expenses (other than Company salaries and office expenses) incurred by the Company in the investigation and settlement of claims or suits, and (2) its proportion of court costs, interest on any judgment or award and largation expenses (provided in a prior consent to legal proceedings has been obtained from the Reinsurer), as follows: (a) with respect to reinsurance provided on an Excess of Loss basis, in the ratio that the Reinsurer's limit of liability beers to the Company's gross

- PROOF OF LOSS. The Company shall furnish proof that payment of a loss and loss expense has actually been made by the Company and payment by the Reinsurer of its proportion thereof shall be made promptly, provided, however, in the event of insolvency of the Company payment by the Reinsurer of its proportion of loss and loss expense which the Company has incurred or for which it is liable, shall be made to the liquidator, receiver or statutory. succesor of the Company in accordance with the provisions of Section L of those general conditions.
- D. INSPECTION OF RECORDS. At the request of the Reinsurer the Company shall place at its disposal and Reinsurer shall have the right at all reasonable times in the office of the Company, or elsewhere if mutually agreed, to inspect all books records and papers of the Company in any way pertaining to the reinsurance provided hereunder, including but not limited to claims in connection therewith.
- E. SALVAGE. The Reinsurer will be paid or credited by the Company with its proportion of salvages i.e., reimbursement obtained or recovery made by the Company, less the actual cost rexcluding Company salaries and office expenses) of obtaining such reimbursement of making such recovery. If the reinsurance afforded by this Cartificate is on an Excess of Loss basis, salvage shall be applied in the inverse order in which habitity attaches.
- shall be applied in the inverse order in which liability attaches

  F. OFFSET. The Reinsurer may offset any balance(s) whether on account of premiums, claims, losses, adjustment expense, salvage or any other amount(s) due from one party to the other under this Certificate or under any other agreement heretofore or nereafter entered into between the Company and the Reinsurer whether acting as assuming reinsurer or as ceding company.

  G. WAR ANC NUCLEAR EXCLUSION. The reinsurance hereunder is subject to "Nuclear", "Nuclear Exclusion" and "War Exclusion" Clauses considered standard for the coverage provided.

  P. PRICIA ATTACHMENT. If the reinsurance hereunder attaches byton to
- H, PRIOR ATTACHMENT, If the reinsurance hereunder attaches prior to the date of acceptance, the Company warrants that there are no known or reported losses which might be recoverable under this Certificate as of the date. this reinsurance is accepted.
- CANCELLATION. (a) Should the Company's policy be cancelled, this Certificate shall terminate simultaneously. This Certificate may also be cancelled upon prior written notice by the Company or by the Reinsurer upon not less than the number of days listed on Item 6 of the Declarations, which notice shall state when thereafter the reinsurance afforded hereby shall terminate.

nate. Proof of mailing shall be deemed proof of notice and calculation of the earned premium shall follow the Company calculation in the use of short rate or pro-rate tables. (b) in the event of non-payment of premium this Certificate may be cancelled by the Reinsurer by giving not less than ten days prior written notice stating when the reinsurance afforded hereby shall terminate. Proof of mailing shall be deemed proof of notice.

- J. TAXES. The Company shall be liable for taxes on premiums ceded to Remsurer under this Certificate
- K. ENDORSEMENTS. The terms of this Certificate shall not be waived, amended or in any way modified unless contained in an endorsement to this Certificate, executed by a duly authorized representative of the Reinsurer.
- INSOLVENCY. In the event of the insolvency of the Company, this rein-L. INSOLVENCY. In the event of the insolvency of the Company, this reinsurance shall be payable directly to the Company, or to its fiquidator, receiver, conservator or statutory successor on the basis of the hability of the Company without diminution because of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Reinsurer of the pendency of a claim against the Company on the policy reinsured which claim would involve a possible hability on the part of the Reinsurer within a reasonable time after such claim is filed in the conservator or figuidation proceeding or in the receivership, and that during the pendency of such claim, the Reinsurer may investigate such claim and interpose, at its own expense in the proceeding where such claim is to be adjudicated, any detense or defenses which it may deem evalable to the Company or its liquidator, receiver, conservator or statutory successor. The expense pany or its liquidator, receiver, conservator or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to the approve of the court, against the Company as part of the expense of conservation or liquidation to the extent of a pro-rate share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.
- to the Company solely as a result of the defense undertaken by the Reinsurer.

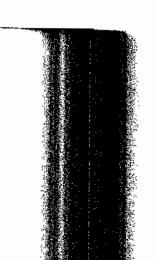
  M. ARBITRATION. Should an irreconcilable difference of opinion arise as to the interpretation of this Contract, it is hereby mutually agreed, that, as a condition precedent to any right of action hereunder, such difference shall be submitted to arbitration, one arbiter to be chosen by the Company, one by the Reinsurer, and an unipire to be chosen by the two arbiters before they enter upon arbitration, in the event that either party should fail to choose an arbiter within sixty days following a written request by the other party to enter upon arbitration, the requesting party may choose two arbitres who shall in turn choose an umpire before entering upon arbitration. Each party shall present its case to the arbiters within sixty days following the date of their appointment. The decision of the arbiters shall be final and binding upon both parties, but failing to agree they shall call in the umpire and the decision of the majority shall be final and binding upon both parties, the shall be final and binding upon both parties. Each perty shall bear the expense of its own arbiter, and shall jointly and equally bear with the other the expenses of the umpire and of the arbitration. In the event that the two arbiters are chosen by one party, as above provided, the expense of the orbiters, the umpire, and the arbitration shall be equally divided between the two parties. two parties.

Any such arbitration shall take place at New York, N.Y., unless some other, location is mutually egreed upon by the two parties in interest.

- N. INTERMEDIARY. The Intermediary named herein is hereby recognized as the Intermediary negotiating this Reinsurance for all business hereunder. All communications (including but not limited to notices, statements, premiums, return premiums, commissions, taxes, losses, loss adjustment expense, salvages, and loss settlements! relating thereto shall be transmitted to the Company or the Reinsurer through the Intermediary Payments by the Company to the Intermediary shall be deemed to constitute payment to the Reinsurer. Payments by the Reinsurer to the Intermediary shall be deemed only to constitute payment to the Company to the extent that such payments are actually received by the Company.
- O. NON-CONCURRENT shall mean the reinsurance provided does not apply to any hazards or risks of loss or damage covered under the Company's policy other than those specifically set forth in the Declarations and/or endorsements attached. The retention of the Company and the liability of the Remayurer shall be determined as though the Company's policyfies) applied only to the hazards or risk of loss or damage specifically described in the Declarations and/or endorsements attached.
- EXCESS OF LOSS shall mean the limit of hability of the Reinsurer, as stated, applies(y) only to that portion of loss within the policy limits in excess of the applicable retention of the Company as stated in the Declarations.
- Q. CONTRIBUTING EXCESS shall mean the Company's policy applies in excess of other valid insurance, reinsurance or a self-insured retention and the limit(s) of hability of the Reinsurer applies proportionally to all loss settlements within policy limits in the proportion set forth in Item No. 4 of the Declarations.

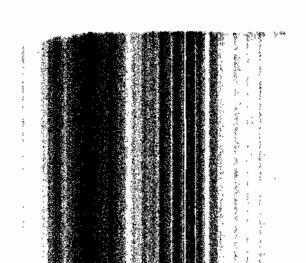
IN WITNESS WHEREOF the PALADIN REINSURANCE CORPORATION has caused this Certificate to be signed by its President and Secretary, but same shall not be binding upon the Rainsurer unless countersigned by an authorized representative of the Reinsurer.

17 11



A Company Managed By **SYNCORP** 

ENDORSEMENT NO.:1
THIS ENDORSEMENT, EFFECTIVE 1/1/84, FORMS A PART OF
CONTRACT NO.: C 1435 ISSUED TO Employers Insurance of Wausau, A Mutual
ORIGINAL INSURED: Fred S. James & Company & POLICY NO.: A/5735-03-100143 Wigham - Poland Holdings, Ltd. B/8235-03-670053
It is understood and agreed that the certificate is amended to read as follow:
Company Policy Number: B) 8235-03-670053
Item 3 (Company Retention): A) \$ 1,250,000 Net & Treaty
B) L 625,000 Net & Treaty
ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.
DATE: August 29, 1984
AUTHORIZED SIGNATURE



## CERTIFICAL : OF CASUALTY FACULTATIVE RE. JURANCE

PALADIN REINSURANCE
CORPORATION

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NEW YORK, NEW YORK

CEDING CO. AND ADDRESS

Employers Insurance of Wausau A Mutual Company

C/O PCM Intermediaries, Ltd. 90 William Street New York, N.Y. 10038

RENEWING CERTIFICATE	
REPLACING CERTIFICATE	1
PRODUCER CODE NO.	

ATTENTION:Mr. L	es Ross		DECLARAT	j IONS		
INSURED . & ADDRESS		Corporati gh, PA	on etal 15230			
COMPANY POLICY NUMBER	5733 00	200290				
COMPANY POLICY PERIOD	3/1/82 -	3/1/83		3/1/82		
ITEM 1 TYPE OF INSURANCE	Excess L	iability_				
ITEM 2 POLICY LIMITS AND APPLICATIONS	\$500,000 each occ		310,000,0	00 excess o	f \$10,000,000	)
ITEM 3 COMPANY RETENTION	\$350,000	includin	g other f	acultative	reinsurance	
ITEM 4 REINSURANCE ACCEPTED	\$150,000		,-			
ITEM 5 BASIS OF REINSURANCE	☐ EXCESS OF	LOSS	Б <mark>ұ</mark> сонтвіі	BUTING EXCESS	□non-con	ICURRENT
ITEM 6 CANCELLATION	105	DAYS NOTICE	Being 1	5 days plu	s original	
PREMIUM THIS CERTIFICATE	\$7,110.0	00	[XFI)	ED DEPOSIT	CED.	сомм. 27.5%
INSTALLMENTS P	AYABLE	ESTI	MATED PREMIU	M BASE	RATE	EST. PREMIUM
DATE DATE DATE						\$5,154.75 Being \$7,110. Less Cede Comm.
DATE		l <u>-</u>	MINIMUM PRE	MIUM - FOR REINSL	JRANCE PERIOD	I CECTE COMM.
DATE <u>March</u>	24, 1982		BY	ORIZEO SIGNATUR	E /	

123 WILLIAM STREET NEW YORK, NEW YORK 10038

## (hereinafter called the Reinsurer)

In consideration of payment of the premium, and subject to the terms, conditions and limits of liability set forth herein and in the Declarations made a part hereof, the Reinsurer does hereby reinsure the ceding company named in the Declarations (herein called the Company) in respect of the Company's Policy as follows:

#### REINSURING AGREEMENTS AND CONDITIONS

- REINSURER'S LIABILITY & RETENTION. The Company warrants to retain for its own occount, the Company Retention specified in the Declara-tions of this Certificate. The liability of the Reinsurer as specified in the Declarations, shall follow that of the Company; subject in all respects to all terms, conditions, and limits of the Company's policy except when otherwise specifically provided herein or designated as non-concurrent reinsurance in the Declarations. The Reinsurer's certificate period shall be as specified in the Declarations at the place specified in the Company's policy. The Company shall furnish the Reinsurer with a copy of its policy and all endorsements thereto and agrees to notify the Reinsurer promptly of all changes which is any manner affect this Certificate. in any manner affect this Certificate.
- B. CLAIMS AND SETTLEMENT. The Company shall settle all claims under its policy in accordance with its terms and conditions. Prompt notice shall be given in writing to the Reinsurer by the Company of any occurrence which its policy in accordance with its terms and conditions. Prompt notice shall be given in writing to the Reinsurer by the Company of any occurrence which appears likely to involve this reinsurance or of any occurrence which in the Company's estimate the value of injuries or damages sought (without regard to liability might result in a judgment in an amount sufficient to involve this certificate; or where the Company has created a loss reserve of fifty (50) percent or greater of the Company's retention set forth in Item 3 of the declarations; or if this reinsurance is on a contributing excess basis when notice of claim is received by the Company. The Company will further advise the Reinsurer, in writing, in a complete and timely manner of all developments relating to the claim. While the Reinsurer does not undertake to investigate or defend claims it shall nevertheless have the right and be given the opportunity to associate with the Company and its representatives at the Reinsurer's expense in the defense and control of any claims, suit or proceeding involving this reinsurance, with the full cooperation of the Company.

  All claims involving this reinsurance when settled by the Company shall be binding on the Reinsurer who shall be bound to pay its proportion of such settlements. In addition thereto, the Reinsurer shall be bound to pay: (1) its proportion of expenses (other than Company salaries and office expenses) incurred by the Company in the investigation and settlement of claims or suits, and (2) its proportion of court costs, interest on any judgment or award and litigation expenses (provided its prior consent to legal proceedings has been obtained from the Reinsurer), as follows. (a) with respect to reinsurance provided on a Pro Rata basis, in the ratio that the Reinsurer's loss payment bears to the Company's gross loss payments, and (b) with respect to reinsurance provided on a Pro Rata basis, in the ratio that the Reinsurer's limit of liability bears to the Company's gross limit of liability.

- C. PROOF OF LOSS. The Company shall furnish proof that payment of a loss and loss expense has actually been made by the Company and payment by the Reinsurer of its proportion thereof shall be made promptly; provided, however, in the event of insolvency of the Company payment by the Reinsurer of its proportion of loss and loss expense which the Company has incurred or for which it is liable, shall be made to the liquidator, receiver or statutory successor of the Company in eccoldance with the provisions of Section L of these general conditions. these general conditions.
- D. INSPECTION OF RECORDS. At the request of the Reinsurer the Company shall place at its disposal and Reinsurer shall have the right at all reasonable times in the office of the Company, or elsewhere if mutually agreed, to inspect all books records and papers of the Company in any way pertaining to the reinsurance provided hereunder, including but not limited to claims in connection therewith.
- SALVAGE. The Reinsurer will be paid or credited by the Company with its proportion of salvages i.e., reimbursement obtained or recovery made by the Company, less the actual cost-fexcluding Company salaries and office expenses) of obtaining such reimbursement of making such recovery. If the reinsurance afforded by this Certificate is on an Excess of Loss basis, salvage shall be applied in the inverse order in which liability attaches.
- F. OFFSET. The Reinsurer may offset any balance(s) whether on account of premiums, claims, tosses, adjustment expense, salvage or any other amount(s) due from one party to the other under this Certificate or under any other agreement heretofore or hereafter entered into between the Company and the Reinsurer whether acting as assuming reinsurer or as ceding company.
- G. WAR AND NUCLEAR EXCLUSION. The reinsurance hereunder is subject to "Nuclear", "Nuclear Exclusion" and "War Exclusion" Clauses considered standard for the coverage provided.
- H. PRIOR ATTACHMENT. If the reinsurance hereunder attaches prior to the date of acceptance, the Company warrants that there are no known or reported losses which might be recoverable under this Certificate as of the date this reinsurance is accepted.
- I. CANCELLATION. (a) Should the Company's policy be cancelled, this Certificate shall terminate simultaneously. This Certificate may also be cancelled upon prior written notice by the Company or by the Reinsurer upon not less than the number of days listed on Item 6 of the Declarations, which notice shall state when thereafter the reinsurance afforded hereby shall terminate.

Journal Hor J

- nate. Proof of mailing shall be deemed proof of notice and calculation of the earned premium shall follow the Company calculation in the use of short rate or pro rata tables. (b) in the event of non-payment of premium this Certificate may be cancelled by the Reinsurer by giving not less than ten days prior written notice stating when the reinsurance afforded hereby shall terminate. Proof of mailing shall be deemed proof of notice.
- J. TAXES. The Company shall be liable for taxes on premiums ceded to Beinsurer under this Certificate.
- ENDORSEMENTS. The terms of this Certificate shall not be waived, amended or in any way modified unless contained in an endorsement to this Certificate, executed by a duly authorized representative of the Reinsurer.
- L. INSOLVENCY. In the event of the insolvency of the Company, this reinsurance shall be payable directly to the Company, or to its liquidator, receiver, conservator or statutory successor on the basis of the liability of the Company without diminution because of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim. It is agreed, however, that the liquidator. failed to pay all or a portion of any claim. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Reinsurer of the pendency of a claim against the Company on the policy reinsured which claim would involve a possible liability on the part of the Reinsurer within a reasonable time after such claim is filed in the conservator or liquidation proceeding or in the receivership, and that during the pendency of such claim, the Reinsurer may investigate such claim and interpose, at its own expense in the proceeding where such claim is to be adjudicated, any defense or defenses which it may deem available to the Company or its liquidator, receiver, conservator or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to the approval of thus incurred by the Reinsurer shall be chargeable, subject to the approvar of the court, against the Company as part of the expense of conservation or liquidation to the extent of a pro rate share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer
- to the Company solely as a result of the defense undertaken by the Reinsurer.

  M. ARBITRATION. Should an irreconcilable difference of opinion arise as to the interpretation of this Contract, it is hereby mutually agreed, that, as a condition precedent to any right of action hereunder, such difference shall be submitted to arbitration, one arbiter to be chosen by the Company, one by the Reinsurer, and an umpire to be chosen by the two arbiters before they enter upon arbitration. In the event that either party should fail to choose an arbiter within sixty days following a written request by the other party to enter upon arbitration, the requesting party may choose two arbiters who shall in turn choose an umpire before entering upon arbitration. Each party shall present its case to the arbiters within sixty days following the date of their appointment. The decision of the arbiters shall be final and binding upon both parties, but failing to agree they shall call in the umpire and the decision of the majority shall be final and binding upon both parties, but failing to agree they shall call in the umpire and the decision of the expense of its own arbiter, and shall jointly and equally bear with the other the expenses of the umpire and of the arbitration, in the event that the two arbiters are chosen by one party, as above provided, the expense of the arbiters, the umpire, and the arbitration shall be equally divided between the two parties.

Any such arbitration shall take place at New York, N.Y., unless some other location is mutually agreed upon by the two parties in interest.

- INTERMEDIARY. The Intermediary named herein is hereby recognized N. INTERMEDIARY. The Intermediary named herein is hereby recognized as the Intermediary negotiating this Reinsurance for all business hereunder. All communications (including but not limited to notices, statements, premiums, return premiums, commissions, taxes, losses, loss adjustment expense, salvages, and loss settlements) relating thereto shall be transmitted to the Company or the Reinsurer through the Intermediary. Payments by the Company to the Intermediary shall be deemed to constitute payment to the Reinsurer. Payments by the Reinsurer to the Intermediary shall be deemed only to constitute payment to the Company to the extent that such payments are actually received by the Company.
- O. NON-CONCURRENT shall mean the reinsurance provided does not apply to any hazards or risks of loss or damage covered under the Company's policy other than those specifically set forth in the Declarations and/or endorsements attached. The retention of the Company and the liability of the Reinsurer shall be determined as though the Company's policy(ies) applied only to the hazards or risk of loss or damage specifically described in the Declarations and/or endorsements attached.
- EXCESS OF LOSS shall mean the limit of liability of the Reinsurer, as stated, applies(y) only to that portion of loss within the policy limits in excess of the applicable retention of the Company as stated in the Declarations.
- CONTRIBUTING EXCESS shall mean the Company's policy applies in excess of other valid insurance, reinsurance or a self insured retention and the limit(s) of liability of the Reinsurer applies proportionally to all loss settlements within policy limits in the proportion set forth in Item No. 4 of the Declarations

IN WITNESS WHEREOF the PALADIN REINSURANCE CORPORATION has caused this Certificate to be signed by its President and Secretary, but same shall not be binding upon the Reinsurer unless countersigned by an authorized representative of the Reinsurer.

L' word la heather President

CERTIFICATE NUMBER C 1343

## PALADIN REINSURANCE **CORPORATION**

NEW YORK, NEW YORK

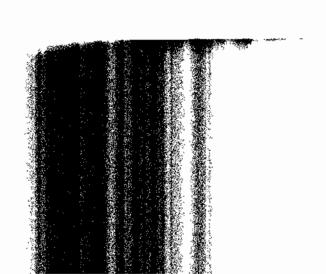
CEDING CO. AND ADDRESS

Employers Insurance of Wausau, A Mitual Сопрану

RENEWING CERTIFICATE	C1156	
REPLACING CERTIFICATE		
PRODUCER CODE NO.		

c/o PCH Intermediaries, Inc. 130 William St.

ATTENTION: New York	, N.Y. 100		ARATIONS		
INSURED & ADDRESS		Corporation etal h, Pa. 15230			
COMPANY POLICY NUMBER	5735-00-2	:00290			
COMPANY POLICY PERIOD	3/1/83 to	1/1/85	CERTIFICATE PERIO	/83 to 1/1/85	
ITEM 1 TYPE OF INSURANCE	Manuscri	ot Excess Third P	arty Liability		
ITEM 2 POLICY LIMITS AND APPLICATIONS	\$500,000 applicabl	le in excess of \$	000 each occurrenc 10,000,000 each oc	e and aggregate currence, insure	where d of self
ITEM 3 COMPANY RETENTION	\$350,000	in <b>&amp;</b> luding other	facultative reinsu	rance	
ITEM 4 REINSURANCE ACCEPTED	\$150,000				
ITEM 5 BASIS OF REINSURANCE	□ EXCESS OF	Loss 🛣	CONTRIBUTING EXCESS	□ NON-CON	CURRENT
ITEM 6 CANCELLATION	105	DAYS NOTICE			
PREMIUM THIS CERTIFICATE	\$11 <u>,</u> 579.	40	FIXED   DEPOSIT	CED. C	омм. <b>27.5%</b>
INSTALLMENTS PA	AYABLE	ESTIMATED	PREMIUM BASE	RATE	EST. PREMIUM
AT INCEPTION		,			
DATE DATE					\$8,395.06
DATE					
•	[	MINIM	UM PREMIUM - FOR REINSU	RANCE PERIOD	
March :	23, 1983		AUTHORIZED SIGNATURE	¥ .	



C 1217

# PALADIN REINSURANCE CORPORATION

NEW YORK, NEW YORK

CEDING CO. AND ADDRESS

Employers Insurance of Wausau A: Mutual Company

C/O J.L. Kelley Inc. Mr. Robert Osborne

RENEWING CERTIFICATE	RECEIVED
REPLACING CERTIFICATE	6HB (0 3 465.)
PRODUCER CODE NO.	<u> </u>

ATTENTION:		DEC	 _ARATIO	ONS		
INSURED & ADDRESS	Internor Omaha Ne	th, Inc. etal braska 68102				_
COMPANY POLICY NUMBER	5733-00-	300535		_		
COMPANY POLICY PERIOD	6/1/82 t	0 61/1/83	Ci	one Year	•	
ITEM 1 TYPE OF INSURANCE	Excess C	GL, CAL, EB X	S WC &	EL as per	original	
ITEM 2 POLICY LIMITS AND APPLICATIONS	\$4,000,0 excess e	000 part of \$1 each occurrence	5,000, e exce	000 each o	cc/agg where	applicable
ITEM 3 COMPANY RETENTION	\$3,000,0 (\$1,500,	000 including 000 Net & Tre	other aty)	facultativ	e reinsuranc	e
ITEM 4 REINSURANCE ACCEPTED	\$1,000,0	000 each occ/a	gg par	t of total	limits	
ITEM 5 BASIS OF REINSURANCE	□EXCESS OF	Loss X	CONTRIBU	TING EXCESS	□ NON-CO	NCURRENT
ITEM 8 CANCELLATION	60	DAYS NOTICE				
PREMIUM THIS CERTIFICATE	\$4650.0	00	FIXE	D DEPOSIT	CED	.сомм. 27.5
INSTALLMENTS P.	AYABLE	ESTIMATED	PREMIUM	BASE	RATE	EST. PREMIUM
AT INCEPTION			_			\$3371.00 net
DATE						being \$4650.00 less
DATE						ceding comm.
DATE		MINI	NUM PREMI	 UM - FOR REINSUR	ANCE PERIOD	
DATE July	21,1982	ВУ	AUTHOR	PCKEET	209/88	[[]]

#### 123 WILLIAM STREET

NEW YORK, NEW YORK 10038

## (hereinafter called the Reinsurer)

In consideration of payment of the premium, and subject to the terms, conditions and limits of liability set the Reinsurer does hereby reinsure the ceding company named in the Declarations (herein called the Compan KELLEY, INC erein and in the Declarations 286 2 Company Policy al follows: a part hereof,

## REINSURING AGREEMENTS AND CONDITIONS

- A. REINSURER'S LIABILITY & RETENTION. The Company warrants to retain for its own account, the Company Retention specified in the Declarations of this Certificate. The liability of the Reinsurer as specified in the Declarations, shall follow that of the Company, subject in all respects to all terms, conditions, and limits of the Company's policy except when otherwise specifically provided herein or designated as non-concurrent reinsurance in the Declarations. The Reinsurer's certificate period shall be as specified in the Declarations at the place specified in the Company's policy. The Company shall furnish the Reinsurer with a copy of its policy and all endorsements thereto and agrees to netify the  $\Omega_{\rm constant}$  promptly of all changes which a ny manner affect this Certificate.
- B. CLAIMS AND SETTLEMENT To Company shall settle all claims under its policy in accordance with interest and dearly tions. Prompt notice shall be given in writing to the Reinsuic by the Company of any occurrence which appears its for common to the reinsuic by the Company of any occurrence which appears its for common to the residence of the common resolution of any occurrence which in the Company ranger resolution and adjusted on amount sufficient to a relate the control of the prealer of the common form of the declarations of the second of the declarations of the second of the common transport of the second of the declaration of the claim. Which the Reinsuland on the claim that the Reinsuland on the claim. Which the Reinsulandes not undertake turnive tighter of the common the opportunity associated in the declaration of the claim. Which the Reinsulandes not undertake turnive tighter of the common the opportunity of the common that the Reinsulands of the Common second of the claim.
- ating to the claim. With the figure and all despired to investigate or force and stricts of the claim. The figure is a product that you had be even the opportunity to asymptom that you had be even the opportunity to asymptom that you had be even the opportunity to the product the figure is a product that you had been to the contract of the Company shall be now it is not to the contract of the leaver in pay its proportion of the contract of the leaver in pay its proportion of the contract of the contract of the expenses and office expenses to the contract of the contract of the expenses of the expens
- PROOF OF LOSS. The Companies of the formatt proof that payment of a sand tors expense has the cell bern malle by the Company and payment by Billians of the proof of the cost shall be made promptly, provided, now, in the exist of the cost shall be made promptly, provided, now, in the exist of the cost pay of the Company payment by the Reinspurer throughout on of these and now existes which the Company has incurred for which it is riable, that the made to the Equidator, receiver or statutory ressor of the Company has accordance with the provisions of Section Liot segmental conditions. tese peneral conditions
- INSPECTION OF RECORDS. At the recivest of the Reinsurer the Com-ny shart blace at its disposal and Reinsurer thall have the right at all reason-tie times in the office of the Company, or elsewhere if mutually agreed, to pact all books, ecords and papers of the Company in any way perfaming to the reinsurence provided hereunder, including but not limited to claims in thest on therewith
- SALVAGE. The Reinsurer will be prid or cledited by the Company with SALVAGE. The Helitairer will be pill or clotted by the Company with proportion of salvages rely reimminishment obtained or recovery made by a Company salar as and office penses of obtaining such reimbursement of making such recovery. If the esurance afforded by this Certificate is on an Excess of Loss basis, salvage all be applied in the inverie order in which habital attaches.
- OFFSET. The Reinsurer may oriset any natancels) whether on account If prensums, claims, loss s, adjustment expense, salvage or any other amounts) one from one party to the other under this Certificate or under any other agreement heretofore or hereafter entered into between the Company and the Reinsurer whether acting as assuming reinsurer or as ceding company.
- G. WAR AND NUCLEAR EXCLUSION. The reinsurance hereunder is subject to "Nuclear", "Nuclear Exclusion" and "War Exclusion" Clauses considered standard for the coverage provided.
- H. PRIOR ATTACHMENT. If the reinsurance hereunder attaches prior to the date of acceptance, the Company warrants that there are no known or reported losses which might be recoverable under this Certificate as of the date this reinsurance is accepted.
- CANCELLATION, (a) Should the Company's policy be cancelled, this Certificate shall terminate simultaneously. This Certificate may also be cancelled upon prior written notice by the Company or by the Reinsurer upon not less than the number of days listed on Item 6 of the Declarations, which notice shall state when thereafter the reinsurance afforded hereby shall terminate.

- nate. Proof of mailing shall be deemed proof of notice and challation of the earned premium shall follow the Company colours for the of short rate or pro rate tables. (b) invite event of non-paying the proof of short rate or pro rate tables. (b) invite event of non-paying the proof of short rate or pro rate tables. (b) invite event of non-paying the proof of short rate or proof of mailing table be deemed proof of notice. Proof of mailing shall be deemed proof of notice
- TAXES. The Company shall be tiable for taxes on premiums ceded to Reinsurer under this Certificate.
- K. ENDORSEMENTS. The terms of this Certificate shall not be waived, amended or in any way modified unless contained in an endorsement to this Certificate, executed by a duly authorized representative of the Reinsurer.
- L. INSOEVENCY. In the event of the insolvency of the Company, this reinsurance shall be payable directly to the Company, or to its liquidator, receiver, conservator or statutory successor on the basis of the liability of the Company without diminution because of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has folded to pay all or a portion of any claim. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written induce to the Reinsurer of the pendancy of a claim against the Company on the policy reinsured which claim would involve a possible I ability on the part of the Reinsurer within a reasonable time after such claim is filled in the conservator or liquidation proceeding or in the receivership, and that during the pendancy of such claim, the Reinsurer may investigate such claim and interpose, at its own expense in the proceeding where such claim is to be adjudicated, any defense of defenses which it may deem available to the Company or its liquidator, receiver, conservator or statutory successor. The expense adjudested, any defense or detenses which it may deem averable to the Company of its liquidator, receiver, conservator or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to the approval of the court, against the Company as port of the expense of conservation or arguidation to the extent of a pro-rate share of the benefit which may acrose to the Company solidy as a result of the defense undertaken by the Reinsurer.
- to the Company safety as a result of the defense undertaken by the Reinsurer M. ARBITRATION Should an irreconciable difference of opinion arise as to the in expectation of this Contract, it is hereby mutually agreed, that, as a condition precedent to any right of action hereunder, such difference shall be submitted to arbitration, one arbitrat to be chosen by the Company, one by the Reinsurer, and an umpire to be chosen by the two arbitrats before they enter upon arbitration. In the event that either party should fail to choose an arbitration sixty days following a written request by the other party to enter upon arbitration, the requesting party may choose two arbitras who shall in turn choose an umpire before entering upon arbitration. Each party shall present its case to the arbitras within sixty days following the date of their appointment. The decision of the arbitras shall be final and binding upon both parties, but failing to agree they shall call in the umpire and the decision of the imajority shall be final and binding upon both parties. Each party shall bear the expense of its own arbiter, and shall jointly and equally bear with the other the expenses of the umpire and of the arbitration. In the event that the two arbiters are chosen by one party, as above provided, the expense of the arbitras, the umpire, and the arbitration shall be equally divided between the two parties.

Any such arbitration shall take place at New York, N.Y., un location is mutually agreed upon by the two parties in interest.

- N. INTERMEDIARY. The intermediary named herein is hereby recognized as the Intermediary named herein is hereby recognized as the Intermediary negotiating this Beinsurance for all business hereinder. All communications (including but not limited to notices, statements, premiums, return premiums, commissions, taxes, losses, loss adjustment expense, salvages, and loss settlements) relating thereto shall be transmitted to the Company or the Reinsurer through the Intermediary. Payments by the Company to the Intermediary shall be deemed only to constitute payment to the Reinsurer to the Intermediary shall be deemed only to constitute payment to the Company to the extent that such payments are setually received by the Company.

  O. NON-CONCURRENT, shall mean the reinsurance provided does not
- O. NON-CONCURRENT shall mean the reinsurance provided does not apply to any hazards or risks of loss or damage covered under the Company's policy other than those specifically set forth in the Declarations and/or endorsements attached. The retention of the Company and the liability of the Reinsurer shall be determined as though the Company's policy(ses) applied only to the hazards or risk of loss or damage specifically described in the Declarations and/or endorsements attached.
- P. EXCESS OF LOSS shall mean the limit of liability of the Beinsurer, as stated, applies(y) only to that portion of loss within the policy limits in excess of the applicable retention of the Company as stated in the Declarations.
- C. CONTRIBUTING EXCESS shall mean the Company's policy applies in excess of other valid insurance, reinsurance or a self insured retention and the limit(s) of liability of the Reinsurer applies proportionally to all loss settlements within policy limits in the proportion set forth in Item No. 4 of the Declarations.

N WITNESS WHEREOF the PALADIN REINSURANCE CORPORATION has caused this Certificate to be signed by its President and Secretary, but same shell be binding upon the Reinsurer unless countersigned by an authorized representative of the Reinsurer.

Secretary

Edward L. nextur President

123 WILLIAM STREET

NEW YORK, NEW YORK 10038

## (hereinafter called the Reinsurer)

In consideration of payment of the premium, and subject to the terms, conditions and limits of liability set forth herein and in the Declarations made a part hereof, the Reinsurer does hereby reinsure the ceding company named in the Declarations (herein called the Company) in respect of the Company's Policy as follows.

#### REINSURING AGREEMENTS AND CONDITIONS

- A. REINSURER'S LIABILITY & RETENTION. The Company warrants to retain for its own account, the Company Retention specified in the Declarations of this Certificate. The liability of the Reinsurer as specified in the Declarations, shall follow that of the Company; subject in all respects to all terms, conditions, and limits of the Company's policy except when otherwise specifically provided herein or designated as non-concurrent reinsurance in the Declarations. The Reinsurer's certificate period shall be as specified in the Declarations at the place specified in the Company's policy. The Company shall furnish the Reinsurer with a copy of its policy and all endorsements thereto and agrees to notify the Reinsurer promptly of all changes which in any manner affect this Certificate.
- B. CLAIMS AND SETTLEMENT. The Company shall settle all claims under its policy in accordance with its terms and conditions. Prompt notice shall be given in writing to the Reinsurer by the Company of any occurrence which appears likely to involve this reinsurance or of any occurrence which in the given in writing to the Reinsurer by the Company of any occurrence which appears likely to involve this reinsurance or of any occurrence which in the Company's estimate the value of injuries or damages sought (without regard to liability might result in a judgment in an amount sufficient to involve this certificate; or where the Company has created a loss reserve of fifty (50) percent or greater of the Company's rutention set forth in Item 3 of the declarations; or if this reinsurance is on a contributing excess basis when notice of claim is received by the Company. The Company will further advise the Reinsurer, in writing, in a complete and timely manner of all developments relating to the claim. Whele the Reinsurer does not undertake to investigate or defend claims it shall neverticles have the right and be given the opportunity to associate with the Company and its representatives at the Reinsurer's expense in the detense and control of any claims, suit or proceeding involving this reinsurance, with the full cooperation of the Company. All claims involving this reinsurance when settled by the Company shall be hinding on the Reinsurer who shall be bound to pay its proportion of such settlements. In addition thereto, the Reinsurer shall be bound to pay (17 its proportion of expenses (other than Company salaries and office expenses) incurred by the Company in the investigation and settlement of claims or suits, and (2) its proportion of court costs, interest on any judgment or award and litigation expenses (provided its prior consent to legal proceedings has been obtained from the Reinsurer), as follows: (a) with respect to reinsurance provided on an Excess of Loss basis, in the ratio that the Reinsurer's loss payment bears to the Company's gross loss payments, and (b) with respect to reinsurance provided on a Pro Bata basis, in the ratio that the Reinsurer's limit of liability bears to the Company's gross limit of flability.

  C. PROOF OF LOSS. The Company shall furnish proof that payment of a

- C. PROOF OF LOSS. The Company shall furnish proof that payment of a loss and loss expense has actually been made by the Company and payment by the Reinsurer of its proportion thereof shall be made promptly; provided, however, in the event of insolvency of the Company payment by the Reinsurer of its proportion of loss and loss expense which the Company has incurred or for which it is liable, shall be made to the liquidator, receiver or statutory successor of the Company in accordance with the provisions of Section L of these general conditions.
- D. INSPECTION OF RECORDS. At the request of the Reinsurer the Company shall place at its disposal and Reinsurer shall have the right at all reasonable times in the office of the Company, or elsewhere if mutually agreed, to inspect all books records and papers of the Company in any way pertaining to the reinsurance provided hereunder, including but not limited to claims in connection therewith.
- SALVAGE. The Reinsurer will be paid or credited by the Company with E. SALVAGE. The Heinsurer will be paid of credited by the Company with its proportion of salvages i.e., reimbursement obtained or recovery made by the Company, less the actual cost (excluding Company salaries and office expenses) of obtaining such reimbursement of making such recovery. If the reinsurance afforded by this Certificate is on an Excess of Loss basis, salvage shall be applied in the inverse order in which liability attaches.
- of FSET. The Reinsurer may offset any balance(s) whether on account of premiums, claims, losses, adjustment expense, salvage or any other amount(s) due from one party to the other under this Certificate or under any other agreement, heretofore or hereafter entered into between the Company and the Reinsurer whether acting as assuming reinsurer or as ceding company
- G. WAR AND NUCLEAR EXCLUSION. The reinsurance hereunder is subject to "Nuclear", "Nuclear Exclusion" and "War Exclusion" Clauses considered standard for the coverage provided.
- H. PRIOR ATTACHMENT. If the reinsurance hereunder attaches prior to the date of acceptance, the Company warrants that there are no known or reported losses which might be recoverable under this Certificate as of the date this reinsurance is accepted.
- I. CANCELLATION. (a) Should the Company's policy be cancelled, this Certificate shall terminate simultaneously. This Certificate may also be cancelled upon prior written notice by the Company or by the Reinsurer upon not less than the number of days listed on Item 6 of the Declarations, which notice shall state when thereafter the reinsurance afforded hereby shall termi-

- nate. Proof of mailing shall be deemed proof of notice and calculation of the earned premium shall follow the Company calculation in the use of short rate or pro rata tables. (b) in the event of non-payment of premium this Certificate may be cancelled by the Reinsurer by giving not less than ten days prior written notice stating when the reinsurance afforded hereby shall terminate Proof of mailing shall be deemed proof of notice.
- J. TAXES. The Company shall be liable for taxes on premiums ceded to Reinsurer under this Certificate.
- K. ENDORSEMENTS. The terms of this Certificate shall not be waived, amended or in any way modified unless contained in an endorsement to this Certificate, executed by a duly authorized representative of the Reinsurer.
- L. INSOLVENCY. In the event of the insolvency of the Company, this reinsurance shall be payable directly to the Company, or to its liquidator, receiver, conservator or statutory successor on the basis of the hability of the Company. conservator or statutory successor on the basis of the lability of the Company without diminution because of the insolvency of the Company or because the inguidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Reinsurer of the pendency of a claim against the Company on the policy reinsured which claim would involve a possible liability on the pair of the Reinsurer within a reasonable time after such claim is filed in the conservator or liquidation proceeding or in the receivership, and that during the pendency of such claim, the Reinsurer may investigate such claim and interpose, at its own expense in the proceeding where such claim is to be adjudicated, any defense or defenses which it may deem available to the Company or its liquidator, receiver, conservator or statutory successor. The expense pany or its liquidator, receiver, conservator or statutory successor. The expense thus nourced by the Reinsurer shall be chargeable, subject to the approval of the court, against the Company as part of the expense of conservation or liquidation to the extent of a pro rata share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.
- to the Company solely as a result of the defense undertaken by the Reinsurer.

  M. ARBITRATION. Should an irreconcilable difference of opinion arise as to the interpretation of this Contract, it is hereby mutually agreed, that, as a condition precedent to any right of action hereunder, such difference shall be submitted to arbitration, one arbiter to be chosen by the Company, one by the Reinsurer, and an umpire to be chosen by the two arbiters before they enter upon arbitration. In the event that either party should fail to choose an arbiter within sixty days following a written request by the other party to enter upon arbitration, the requesting party may choose two arbiters who shall in turn choose an umpire before entering upon arbitration. Each party shall present its case to the arbiters within sixty days following the date of their appointment. The decision of the arbitres shall be final and binding upon both parties, but failing to agree they shall call in the umpire and the decision of the majority shall be final and binding upon both parties. Each party shall bear the expense of its own arbiter, and shall jointly and equally bear with the other the expenses of the umpire and of the arbitration. In the event that the two arbiters are chosen by one party, as above provided, the expense of the arbitration shall be equally divided between the two parties.

Any such arbitration shall take place at New York, N.Y., unless some other location is mutually agreed upon by the two parties in interest.

- INTERMEDIARY. The Intermediary named herein is hereby recognized N. INTERMEDIARY. The Intermediary named herein is hereby recognized as the Intermediary negotiating this Beinsurance for all business hereunder. All communications (including but not limited to notices, statements, premiums, return premiums, commissions, taxes, losses, loss adjustment expense, salvages, and loss settlements) relating thereto shall be transmitted to the Company or the Buinsurer through the Intermediary Payments by the Company to the Intermediary shall be deemed to constitute payment to the Reinsurer. Payments by the Reinsurer to the Intermediary shall be deemed only to constitute payment to the Company to the extent that such payments are actually received by the Company.
- O. NON-CONCURRENT shall mean the reinsurance provided does not apply to any hazards or risks of loss or damage covered under the Company's policy other than those specifically set forth in the Declarations and/or endorsements attached. The retention of the Company and the liability of the Reinsurer shall be determined as though the Company's policy(ies) applied only to the hazards or risk of loss or damage specifically described in the Declarations and/or endorsements attached.
- P. EXCESS OF LOSS shall mean the limit of liability of the Reinsurer, as stated, applies(y) only to that portion of loss within the policy limits in excess of the applicable retention of the Company as stated in the Declarations.
- CONTRIBUTING EXCESS shall mean the Company's policy applies in excess of other valid insurance, reinsurance or a self insured retention and the limit(s) of liability of the Reinsurer applies proportionally to all loss settlements within policy limits in the proportion set forth in Item No. 4 of the Declarations

IN WITNESS VIHEREOF the PALADIN REINSURANCE CORPORATION has caused this Certificate to be signed by its President and Secretary, but same shall tot be binding upon the Reinsurer unless countersigned by an authorized representative of the Reinsurer.

J. wood L. hyattur President

## CERTIFICATE OF CASUALTY FACULTATIVE REINSURANCE

# PALADIN REINSURANCE CORPORATION

NEW YORK, NEW YORK

C 1174

KEC∈:VED WAUSAU INT'L

CEDING CO. AND ADDRESS

Employers Insurance of Wausau A Mutual Company

C/O J.L. Kelley, Inc. 59 John Street New York, N.Y. 10038

	APR	<u>ə 1982 —</u>	
RENEWING CERTIFICATE		"	
REPLACING CERTIFICATE			
PRODUCER CODE NO.			

ATTENTION:	JIK, 11.1.	10030	1					
			DECLARATIONS					
INSURED & ADDRESS	Ivaco In Marievil	ic./Atlant le, P.Q.,	ic Building Systems Canada JOL 1J0	Inc. etal				
COMPANY POLICY NUMBER	2733-00-	570068						
COMPANY POLICY PERIOD	2/16/82	to 2/16	/83   CERTIFICATE PERIO 2/16/82		3			
	т							
TYPE OF INSURANCE	Architec	ts and En	gineers Professional	Liability a	s per form			
ITEM 2 POLICY LIMITS AND APPLICATIONS	C\$10,000 C\$250,00	),000 each 00 each c1	claim & aggregate i aim	n excess of				
ITEM 3 COMPANY RETENTION	C\$5,000,	C\$5,000,000						
ITEM 4 REINSURANCE ACCEPTED	C\$1,000,	C\$1,000,000						
ITEM 5 BASIS OF REINSURANCE	□ EXCESS OF	LOSS	CONTRIBUTING EXCESS	□non-con	NCURRENT			
ITEM 6 CANCELLATION	75	DAYS NOTICE	Being 15 days plus	original				
PREMIUM THIS CERTIFICATE	C\$11,880		☐ DEPOSIT	CED.	COMM. 27.5%			
	0411,000	,	18		2/.30			
INSTALLMENTS PA	AYABLE	ESTI	MATED PREMIUM BASE	RATE	EST. PREMIUM			
AT INCEPTION					C\$8,613.00Net			
DATE				ĺ	Being			
DATE					C\$11,880.Less Cede Comm.			
			MINIMUM PREMIUM - FOR REINSUE	RANCE PERIOD				
			- Bilot					

DATE March 30, 1982

AUTHORIZET SIGNATURE

123 WILLIAM STREET NEW YORK, NEW YORK 10038

### (hereinafter called the Reinsurer)

to use of the control of this pleasure, and to the terms, conditions and limits of liability set forth herein and in the Declarations made a part hereof, and for the control of the Contr

## REINSURING AGREEMENTS AND CONDITIONS

A REINSTREAM HABILITY & RETENTION, The Congray warrants to common to the community to the neutron, the Toronary Hell into specified in the Declarative of the Confiners. The healthy of the Brenstein as specified in the broaded in the followith of the Company's policy except when otherwise specificative problems on the Company's policy except when otherwise specificative problems. The Remainder of the Company's policy is a specified in the Declarations. The Remainder of the Company's policy. The Company's shall found the Remainder with a ropy of its policy and all engoisements therefore and agrees to notify the Besister in property or all changes which in the general facilities the Company and all engoisements. orts E

Therefore and agrees to hardly the Benisor in promptly or all changes which in cry channer affect this Certificate.

B. CLAIMS AND SETTLEMENT, The Company shall settly all claims enter to believe in accordance with its times and conditions. Prompt retice shall meet in withing to the Reinsor in by the Company of any or a meet which out are toody to investe this repositione or if any according is shall reduce the time of the conditions and any according is which in the Company's estimate the sold of the conditions of anomalistic entries which in a palgreent in an amount sufficient to avoid the time the full play the critical or less reserve with fifty billions of the property of the Company in the time for the delate for sold the remainant is on a contributing extensions which indicates the ordered by the Company in the Company with further advantage and times remained to any other participants. The Religious formation of the claims within the Religious the regions not true to average the convertibility of the Religious formations of the Company and the representative at the Religious considering the considering whose the regions of the Company shall be being the formation of the Company shall be being the participant of the Company shall be being the participant of the Religious whose has a been charted by the Company shall be being the condition expenses for extensional and active to the results of the participants of such a participant of the Religious formations and settlement of lattice expenses to the Religious formations and settlement of lattice expenses to the Company of the control of such aspect to the results of the formation of the control of the participant of the Company of the control of the participant of the Company of the participant of the participant of the Company of the participant of the participant of the participant of the Company of the participant of the participant of the Company of the participant of the participant of the Pool of LOSS. The Company of the participant of the participa

PROOF OF LOSS. The Company maintenant of the proof that payment of a cost of loss expense has all tually been made by the Company and payment by the first surer of this proportion their of shaft be need promptly, provided, to ker, in the exert of insolvency of the Company payment by the Bansuser in supportion of loss and loss expense, which the Company has becauted in for which it is taken, shart be made to the "quidling, receive, or statutory adjector of the Company to support adjector of the Company to accordance with the provisions of Section L of the chargest conditions.

2. INSPECTION OF RECORDS At the request of the Revisurer the Company shall brace at its disposal and Reinsurer shot have the right at all records to trees in the office of the Company or elsewhere if more ally agreed, to topes all books records in Spacers of the Company in any way portaining to the closurer processing the result of providing that not limited to being in the or profession.

SALVAGE, The Remove which in paid or produced by the Company with a proportion of salvaged is, in moursement obtained or recovery made by a Dimpony, less the emulation to recovery made by a Dimpony, less the emulation to recovery making commany salvages and office spreads) of intrinsing such recovery. If the most area afforded by this Continuous emonstration is backets of first bosis, spreage. If the operation the inversion of making attaches.

OFFSET. The Bensury may direct by balances whet er on account five truins, one me, cresses adjustment expense, salvage or any other amounts) in from one party to the other order this Corto cate or under any other a sensor ill cretofore in Lizzaffor eitheid are between the lizzaffor eitheid are between the lizzaffor eitheid are between the lizzaffor eitheid.

4 Send if Crebators in 1 matter eitheed ain between the Grapphily and the machine with the acting as assuming relation or as explicitly company. WAR AND NUCLEAR EXCLUSION. The lementaria pin mender is subject to "Nuclear". "Nuclear Exclusion" and "War Exclusion. "Clause considerationary for the Lower age provided."."

Entomitted the concept provides.

PRIOR ATTACHMENT of the near which never inderectance, purpled on notice of acceptance, the Concepts, warrants that the entering of the case of the case of the second of the Concepts and this Concepts as of the case of street is a case of the Concepts and the case of the

nate. Proof of mailing shall be deemed proof of notice and calculation of the earned precount shall follow the Company calculation in the use of short rate of pro-rate tables. (b) in the event of non-payings of premium this Confidate may be cancelled by the Fleinsurer by giving not less than ten days prior vertice nation stating when the reinsurance afforded hereby shall terminate Providio multina shall be deemed proof of notice.

TAXES. The Company shall be liable for taxes on premiums caded to rea under this Certificate

"ENDORSEMENTS. The terms of this Certificate shall not be waived, -amended or in any way modified unless contained in an endorsement to this Certificate, executed by a duty authorized representative of the Reinsurer

Certificate, executed by a diriy authorized representative of the Reinsurer

INSOLVENCY. In the event of the insolvency of the Company, this reinference shall be payable directly to the Company, or to its hauidator, receiver, conservation or statutory successor on the basis of the habitity of the Company. Without dimensions because of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim. It is agreed, nowever, that the liquidator receiver, conservator or statutory successor of the Company shall give written induce to the Reinsurer of the pendency of a claim against the Company on the pulicy reinsured which claim would involve a possible hability on the pay of the Reinsurer within a reasonable time after such claim is filed in the conservator or includation proceeding or in the receivership, and that during the pendency of such claim, the Reinsurer may investigate such claim and during the pendency of such claim, the Reinsurer may investigate such claim and during the pendency of such claim, the Reinsurer may investigate such claim is to be adjudicated, any defense or defenses which it may deems available to the Company or its liquidator, receiver, conservator or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to the approval of the court, against the Company as part of the expense of conservation or liquidat or to the extent of a pro rate shere of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.

M. AhBITRATION Should an irreconcilable difference of opinion arise as

M. AHBITRATION Should an irreconcilable difference of opinion arise as to the interpretation of this Contract, it is hereby mutually agreed, that, as a condition prepared to any right of action hereunder, such difference shall be submitted to arbitration, one arbiter to be chosen by the Company, one by the file nature, and an ampire to be chosen by the two arbitration before they exist apon arbitration, in the event that either party should fail to choose an arbitration sixty days following a written request by the other party to enter upon arbitration, the requesting party may choose two arbitras who shall in turn choose an ampire before entering upon arbitration. Each party shall present its case to the arbitras within sixty days following the date of their appointment. The druision of the arbitras shall be final and binding upon both parties, but failing to agree they shall call in the umpire and the decision of the majority shall be final and binding upon both parties. Each party shall bear the expense of its own arbiter, and shall jointly and equally bear with the other the expenses of the umpire and of the arbitration. In the event that the two darbiters are chosen by one party, as above provided, the expense of the arbitration, shall be equally divided between the two parties. ARBITRATION. Should an irreconcilable difference of opinion arise as two parties

Any such arbitration shall take place at New York, N.Y., un location is mutually agreed upon by the two parties in interest , unless some other

- INTERMEDIARY. The Intermediary named herein is hereby recognized N. INTERMEDIARY. The Intermediary named herein is hereby recognized as the Intermediary negotiating this Beinsurance for all business hereaunder All communications functioning but not limited to notices, statements, premiums, return promiums, commissions, toxes, losses, loss adjustment express, salvages, and loss settlemental relating thereto shall be transmitted to the Company of the Beinsurer through the Intermediary Payments by the Company to the Intermediary shall be deemed only to constitute payment to the Beinsurer. Payments by the Beinsurer to the Intermediary shall be deemed only to constitute payment to the Company to the extent that such payments are actuarly received by the Company.
- O. NON CONCURRENT shall mean the remainance provided does not apply to any historia or risks of loss or damage covered under the Company's policy other than those specifically set forth in the Declarations and/or endorsements attached. The retention of the Company and the liability of the Remainer shall be determined as though the Company's policy(les) applied only to the bazards or lisk of loss or damage specifically described in the Deciarations and/or endorsements attached
- P. EXCESS OF LOSS shall mean the limit of hability of the Reinsurer, as stated, applicably only to that portion of inst within the policy limits in excess of the applicably relention of the Company as stated in the Declarations.
- C. CONTRIBUTING EXCESS shall mean the Company's policy applies in Ocies, of other word insurance, tenderance or a self-insured retention and the identity of the Bransarer applies proportionally to all loss actions of words of high high in the proportion set forth in Item No. 4 or the Bedard on. of the Declaration

As INSEES OF THE PROPERTY OF A LARGE CONFORMED WINE caused the Chinflyate to be righted by its President and Secretary, but some shall Contact up a new property in a function of the signed by an authorized representative of the Reinsurer

Small Horay - som

Edward L. nettin

ENDORSEMENT NO.: 1 GAR 3 1 1993

	I SIKT	ENDORSEM	ENT,	EFFECTIVE		, FORMS	Α	PART	OF	
CONTRACT	ио∴: _	C1174	_ 18	SUED TO	Employers In	surance o	of .	Wausau	a Mutual	c
ORIGINAL	INSURE	VACO, Inc.	etal	<u> </u>	POLIC	CY NO.:	2	733~00-	-570068	

In consideration of an additional premium of C\$310.30 net being C\$428.00 less ceding commission it is agreed that endorsement #8 of original cover extending coverage to March 1, 1983 is accepted for reinsurance.

ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

DATE: March 21, 1983

AUTHORIZED SIGNATURE

## CERTIFICATE NUMBER C 1110

CERTIFICATE OF CASUALTY FACULTATIVE REINSURANCE

## PALADIN REINSURANCE **CORPORATION**

NEW YORK, NEW YORK

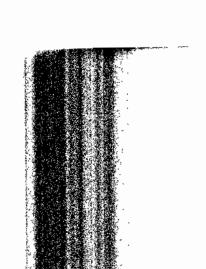
Employers Insurance of Wausau a Mutual Company

C/O PCM Intermediaries, Ltd. 90 William Street New York, N.Y. 10038

RENEWING CERTIFICATE		
REPLACING CERTIFICATE		
PRODUCER CODE NO.		

ATTENTION: Mr. A	Alfréd Amend	DECL	ARATIONS		
INSURED & ADDRESS		Agricultural Ener Kentucky	gy Corporation 6	etal	
COMPANY POLICY NUMBER	5733-00-1	00270			
COMPANY POLICY PERIOD	12/18/81	- 12/18/83	12/18	8/81 - 12/18/83	-
ITEM 1 TYPE OF INSURANCE	Extra Exp	ense Liability ar	ising from E & O I	per orig.	
ITEM 2 POLICY LIMITS AND APPLICATIONS	\$10,000,0	00 excess of \$10,	000,000 excess of	\$1,000,000 S.I.R	
ITEM 3 COMPANY RETENTION	\$9,000,00 reinsuran	0 part of \$10,000 ce	,000 including oth	ner facultative	
1TEM 4 REINSURANCE ACCEPTED	\$1,000,00	0			
ITEM 5 BASIS OF REINSURANC	E EXCESS OF	LOSS 🖺C	ONTRIBUTING EXCESS	□ NON-CONC	URRENT
CANCELLATION	45	DAYS NOTICE Being	15 days plus orig	ginal	
			<b>M</b>		
PREMIUM THIS CERTIFICA	\$11,500.0	0	MFIXED DEPOSIT	CED. CO	омм. 25%
INSTALLMENTS	S PAYABLE	ESTIMATED	REMIUM BASE	RATE	EST. PREMIUM
AT INCEPTION					\$8,625.00 Net
DATE					being
DATE					\$11,500.00 Less cede comm.
		MINIMU	M PREMIUM - FOR REINSU	RANCE PERIOD	

DATE February 26, 1982



ENDORSEMENT NO.: 1

This endorsement,	effective_	December 1	1981	_ forms	a part of	:
Contract No.: C 1110	_issued to_	Employers	Ins. of	Wausau,	A Mutual	Comp.
Original Insured: Kentu Energ	ıcky Agricul gy etal	tural Po	licy No.	: 5733-00	0-100270	_

It is understood and agreed that Company Policy Period and Certificate Period are both corrected to read:

December 18, 1981 to March 18, 1983

ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

DATE: 3/8/82

Authorized Signature

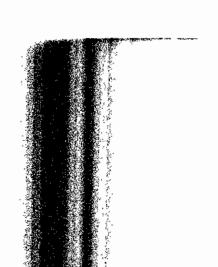
ENDORSEMENT NO.: 2
THIS ENDORSEMENT, EFFECTIVE 4/14/82, FORMS A PART OF
CONTRACT NO.: C1110 ISSUED TO Employer's of Wausan, A Mutual Co.
ORIGINAL INSURED: Kentucky Agricultural Energy POLICY NO.: 5733-00-100270 et.al.
It is understood and agreed that the company policy period and certificate period are amended to read as follows:
"From December 18, 1981 until final acceptance of the plant by the insured."
ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.
DATE: May 23, 1983  AUTHORIZED SIGNATURE

A Company Managed By SYNCORP

ENDORSEMENT NO.: #3
THIS ENDORSEMENT, EFFECTIVE March 18, FORMS A PART OF
CONTRACT NO.: Clllo ISSUED TO Employers Insurance of Wausau a Mutual Company ORIGINAL INSURED: <u>Kentucky Agricultural</u> POLICY NO.: <u>5733-00-100270</u> Energy Corp
In consideration of an additional net premium \$1725.00 being \$2300.00 less ceding commission it is agreed that endorsement #6 to original cover is hereby accepted.
- WAUSAU INTL .
13 July 10 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

123 William Street • New York, New York 10009 • Telephonic 102, 732 (1825 • Telex 141498)

DATE: May 22,1984



## CERTIFIC. .. E OF CASUALTY FACULTATIVE RE...ISURANCE

C 1250

# PALADIN REINSURANCE CORPORATION

NEW YORK, NEW YORK

CEDING CO. AND ADDRESS

Γ

Employers Insurance of Wausau A Mutual Company

RENEWING
CERTIFICATE

REPLACING
CERTIFICATE

PRODUCER
CODE NO.

C/O J.L. Kelley, Inc.

ATTENTION:		DI	ECLARATIO	ONS			
INSURED & ADDRESS		& Eddy Inc Mass 92114				,	
COMPANY POLICY NUMBER	5735-00	-300326					
COMPANY POLICY PERIOD	7/1/82 to		c		icate perio		
ITEM 1 TYPE OF INSURANCE	Excess_A	rchitects &	Enginee	r.s	Profess	ional Liabilit	
ITEM 2 POLICY LIMITS AND APPLICATIONS	\$10,000,0	000 each cla	aim & ag	gre	gate ex	cess of \$5,000 insured reten	. 000
ITEM 3 COMPANY RETENTION	\$9,50090	00 including	gother	fac	ultativ	e reinsurance	
ITEM 4 REINSURANCE ACCEPTED	\$500,000					Va 2:3	
ITEM 5 BASIS OF REINSURANCE	☐ EXCESS OF	LOSS	□CONTRIBU	TING	EXCESS	□иои-соис	JRRENT
ITEM 6 CANCELLATION	105	DAYS NOTICE	0 days i	<del>n t</del>	he even	t of cancellat	ion
PREMIUM THIS CERTIFICATE	\$5000.00	)	FIXE	D	DEPOSIT	CED, CC	омм. 27.5%
INSTALLMENTS P	AYABLE	ESTIMA	TED PREMIUM	BASE		RATE	EST. PREMIUM
DATE DATE DATE		\$95,000 La	ayer Min	•		.13 per \$100 of fees	\$3625.00 net
DATE		M	NIMUM PREM	<u></u> -	FOR REINSU	RANCE PERIOD	
date <u>Mugus</u>	t 20, 198	2	BY	31260	SIGNATURE		

123 WILLIAM STREET NEW YORK, NEW YORK 10038

#### (hereinafter called the Reinsurer)

In consideration of payment of the premium, and subject to the terms, conditions and limits of hability set forth herein and in the Declarations made a part hereof, the Reinsurer does hereby reinsure the ceding company named in the Declarations (herein called the Company) in respect of the Company's Policy as follows:

#### REINSURING AGREEMENTS AND CONDITIONS

- REINSURER'S LIABILITY & RETENTION. The Company warrants to retain for its own account, the Company Retention specified in the Declara-tions of this Certificate. The liability of the Reinsurer as specified in the Declarations, shall follow that of the Company; subject in all respects to all Declarations, shall follow that of the Company's subject in all respects to all terms, conditions, and limits of the Company's policy except when otherwise specifically provided herein or designated as non-concurrent reinsurance in the Declarations. The Reinsurer's certificate period shall be as specified in the Declarations at the place specified in the Company's policy. The Company shall furnish the Reinsurer with a copy of its policy and all endorsements thereto and agrees to notify the Reinsurer promptly of all changes which in any manner affect this Certificate.
- thereto and agrees to notify the Heinstrer promptly of all changes which in any manner affect this Certificate.

  B. CLAIMS AND SETTLEMENT. The Company shall settle all claims under its policy in accordance with its terms and conditions. Prompt notice shall be given in writing to the Reinstrer by the Company of any occurrence which appears likely to involve this reinstrance or of any occurrence which in the Company's estimate the value of injuries or damages sought (without regard to liability might result in a judgment in an amount sufficient to involve this certificate; or where the Company has created a loss reserve of fifty (50) percent or greater of the Company is retention set forth in Item 3 of the declorations; or if this reinsurance is on a contributing excess basis when notice of claim is received by the Company. The Company will further advice the Reinsurer, in writing, in a complete and timely manner of all developments relating to the claim. While the Reinstrer does not undertake to investigate or defend claims it shall never theless have the right and be given the opportunity to associate with the Company and as representatives at the Reinsurer's expense in the defense and control of any claims, suit or proceeding involving this reinsurance, with the full cooperation of the Company.

  All claims involving this reinsurance when settled by the Company shall be building on the Reinsurer who shall be bound to pay its proportion of expenses (other than Company salaries and office expenses) incurred by the Company in the investigation and settlement of claims or suits, and (2) its proportion of court costs, interest on any judgment or award and litigation expenses (provided its prior consent to legal proceedings has been obtained from the Reinsurer), as follows (a) with respect to reinsurance provided on a Excess of Loss basis, in the ratio that the Reinsurer's loss payment bears to the Company's gross loss payments, and (b) with respect to reinsurance provided on a Pro Rata basis, in the ratio that the R

- PROOF OF LOSS. The Company shall furnish proof that payment of a loss and loss expense has actually been made by the Company and payment of a loss and loss expense has actually been made by the Company and payment by the Reinsurer of its proportion thereof shall be made promptly, provided, however, in the event of insolvency of the Company payment by the Reinsurer of its proportion of loss and loss expense which the Company has incurred or for which it is liable, shall be made to the figureator, receiver or statutory successor of the Company in accordance with the provisions of Section L of these general conditions. these general conditions.
- D. INSPECTION OF RECORDS. At the request of the Reinsurer the Company shall place at its disposal and Reinsurer shall have the right at all reasonable times in the office of the Company, or elsewhere if mutually agreed, to inspect all books records and papers of the Company in any way pertaining to the reinsurance provided hereunder, including but not limited to claims in connection therewith.
- SALVAGE. The Reinsurer will be paid or credited by the Company with the Company, less the actual cost (excluding Company salaries and office expenses) of obtaining such reimbursement of making such recovery. If the reinsurance afforded by this Certificate is on an Excess of Loss basis, salvage shall be applied in the inverse order in which hability attaches.
- OFFSET. The Reinsurer may offset any balance(s) whether on account of premiums, claims, losses, adjustment expense, salvage or any other amount(s) due from one party to the other under this Certificate or under any other agreement heretofore or hereafter entered into between the Company and the Reinsurer whether acting as assuming reinsurer or as cading company
- G. WAR AND NUCLEAR EXCLUSION. The reinsurance hereunder is subject to "Nuclear", "Nuclear Exclusion" and "War Exclusion" Clauses considered standard for the coverage provided.
- H. PRIOR ATTACHMENT. If the reinsurance hereunder attaches prior to the date of acceptance, the Company warrants that there are no known or reported losses which might be recoverable under this Certificate as of the date this reinsurance is accepted.
- I. CANCELLATION. (a) Should the Company's policy be cancelled, this Certificate shall terminate simultaneously. This Certificate may also be cancelled upon prior written natice by the Company or by the Reinsurer upon not less than the number of days listed on Item 6 of the Declarations, which notice shall state when thereafter the reinsurance afforded hereby shall terminate.

- nate. Proof of mailing shall be deemed proof of notice and calculation of the earned premium shall follow the Company calculation in the use of short rate or pro rate tables. (b) in the event of non-payment of premium this Certificate may be cancelled by the Reinsurer by giving not less than ten days prior written notice stating when the reinsurance afforded hereby shall terminate Proof of mailing shall be deemed proof of notice.
- TAXES. The Company shall be liable for taxes on premiums ceded to
- ENDORSEMENTS. The terms of this Certificate shall not be waived, amended or in any way modified unless contained in an endorsement to this Certificate, executed by a duly authorized representative of the Reinsurer.
- t. INSOLVENCY. In the event of the insolvency of the Company, this reinsurance shall be payable directly to the Company, or to its liquidator, receiver, conservator or statutory successor on the basis of the Liability of the Company without diministion because of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Reinsurer of the pendency of a claim against the Company on the policy reinsured which claim would involve a possible liability on the part of the Reinsurer within a reasonable time after such claim is filed in pany on the policy reinsured which claim would involve a possible liability on the part of the Reinsurer within a reasonable time after such claim is filed in the conservator or inquidation proceeding or in the recoverable, and that during the pendency of such claim, the Reinsurer may investigate such claim and interpose, at its own expense in the proceeding where such claim is to be adjudicated, any detense or defenses which it may deem available to the Company or its liquidator, receiver, conservator or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to the approval of the court, against the Company as part of the expense of conservation or I quidation to the extent of a pro-rate share of time benefit which may accrue to the Company solety as a result of the defense undertoken by the Reinsurer. the Company solely as a result of the defense undertaken by the Reinsurer.
- M. ARBITHATION. Should an irreconcilation difference of opinion arise as to the interpretation of this Contract, it is hereby mutually agreed, that, as a condition precedent to any right of action hereunder, such difference shall be submitted to arbitration, one arbitrer to be chosen by the Company, one by the Reinsurer, and an umpire to be chosen by the two arbitrers before they enter upon arbitration. In the event that either party should fail to choose an arbitrer within sixty days following a written request by the other party to onter upon arbitration, the requesting party may choose two arbitrers who shall in turn choose an umpire before entering upon arbitration. Each party shall present its case to the arbiters within sixty days following the date of their appointment. The decision of the arbitrers shall be final and binding upon both parties, but failing to agree they shall call in the umpire and the decision of the majority shall be final and binding upon both parties. Each party shall bear the expense of its own arbiter, and shall jointly and equally hear with the other the expenses of the umpire and of the arbitration. In the event that the two arbiters are chosen by one party, as above provided, the expense of the orbiters, the umpire, and the arbitration shall be equally divided between the two parties. ARBITHATION, Should an irreconcilatus difference of opinion arise as

Any such arbitration shall take place at New York, N.Y., unless some other location is mutually agreed upon by the two parties in interest

- N. INTERMEDIARY. The Intermediary named herein is hereby recognized as the Intermediary negotiating this Reinsurance for all business hereunder. All communications (including but not limited to notices, statements, premiums, return premiums, commissions, taxes, losses, loss adjustment expense, salvages, and loss settlements) relating thereto shall be transmitted to the Company or the Reinsurer through the Intermediary, Payments by the Company to the Intermediary shall be deemed to constitute payment to the Reinsurer. Payments by the Reinsurer to the Intermediary shall be deemed only to constitute payment to the Company to the extent that such payments are actually received by the Company. are actually received by the Company.
- NON-CONCURRENT shall mean the tensurance provided does not on Non-conconnections and mean the tensurance provided does not apply to any hazards or risks of loss or damage covered under the Company's policy other than those specifically set forth in the Declarations and/or endorsements attached. The retention of the Company and the liability of the Reinsurer shall be determined as though the Company's policy(ies) applied only to the hazards or risk of loss or damage specifically described in the Declarations and/or endorsements attached.
- P. EXCESS OF LOSS shall mean the limit of liability of the Roinsurer, as stated, applies(y) only to that portion of loss within the policy limits in excess of the applicable retention of the Company as stated in the Declarations.
- CONTRIBUTING EXCESS shall mean the Company's policy applies in excess of other valid insurance, reinsurance or a self-insured retention and the limit(s) of liability of the Reinsurer applies proportionally to all loss settlements within policy limits in the proportion set forth in Item No. 4 of the Declarations.

IN WITNESS WHEREOF the PALADIN REINSURANCE CORPORATION has caused this Certificate to be signed by its President and Secretary, but same shall not be binding upon the Rainsurer unless countersigned by an authorized representative of the Reinsurer.

Socretory

Two & yestlin President

ENDORSDAEJAT NO.:

This endorsement, effective $\frac{7}{82}$ forms a part of
Contract No.: (1250 issued to Engloyers day of Gaysan - a Winter
This endorsement, effective 7//82 forms a part of Contract No.: (1250 issued to Employees Las of Wansan - a Mutual Original Insured: Met colf + Eddy by Policy No.: 57/35-00-300 316
It is understand and equel that declarations
all amended and corrected as follows
Ifon 6 - Canellation 105 de particamouspe
anniversary only.
Ceding Commession: 25%
Estimated fremun 3750 00 NET
· · <u>·</u>
<b>,</b>
Down of
Xemper on aprolon
a por
ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.
DATE: / /
Authorized Signature



ENDORSEMENT NO.: 2
THIS ENDORSEMENT, EFFECTIVE
In consideration of an additional premium of \$3,750.00 Net, (being \$5,000.00 Gross less 25% ceding commission), it is understood and agreed that this certificate is extended from $7/1/83$ to $7/1/84$ .
ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.
DATE: July 28, 1983  AUTHORIZED SIGNATURE

ENDORSEMENT NO.:3
THIS ENDORSEMENT, EFFECTIVE7/1/83, FORMS A PART OF
CONTRACT NO.: C 1250 ISSUED TO Employers Insurance of Wausau, A Mutual
ORIGINAL INSURED: Metcalf & Eddy, Inc POLICY NO.: 5735-00-300326
In consideration of a return premium of \$188.00 Net being $250.00$ less ceding it is understood and agreed that premium audit for the period $7/1/82$ to $7/1/83$ is accepted by the reinsurer.

ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

DATE: \_\_August 22, 1983

AUTHORIZED/SIGNATURE

A Company Managed By SYNCORP

ENDORSEMENT NO.: 4
THIS ENDORSEMENT, EFFECTIVE 7/1/84 , FORMS A PART OF
CONTRACT NO.: C1250 ISSUED TO Employers Insurance of Wausau, A Mutual Company
ORIGINAL INSURED: Metcalf & Eddy, Inc. Etal POLICY No.: 5735-00-300326
In consideration of a net return premium of \$187.50 (being \$250 Gross less 25% ceding) it is understood and agreed that the audit for the period 7/1/83 to 7/1/84 is accepted.
ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.
DATE: April 1, 1985  (AUTHORIZED SIGNATURE)

## CERTIFICATE OF CASUALTY FACULTATIVE REINSURANCE

PALADIN REINSURANCE CORPORATION

**C** 1390

NEW YORK, NEW YORK

CEDING CO. AND ADDRESS

Employers Insurance of Wausau, A Mutual Company

c/o PCM Intermediaries

RENEWING CERTIFICATE	C 1229 & C 1263
REPLACING CERTIFICATE	
PRODUCER CODE NO	

WAUSAU INTL

ATTENTION:		DECL	ARATIONS		AUG 1 5 1983
INSURED & ADDRESS	The Prudential Insurance Company of America, etal Newark, NJ				
COMPANY POLICY NUMBER	5734-00-200356				
COMPANY POLICY PERIOD	7/1/83 - 7	/1/84	CERTIFICATE PERIO	7/1/83 - 7/1/8	34
<u> </u>					
ITEM 1 TYPE OF INSURANCE	Umbrella L	iability			
ITEM 2 POLICY LIMITS AND APPLICATIONS	\$20,000,00 excess of	O each occurrenc underlying insur	e and in the aggreg ance or self insure	ate where applic	able in
ITEM 3 COMPANY RETENTION	A. \$2,000,000 p/o \$5,000,000 Net & Treaty in excess of underlying  B. \$5,300,000 p/o \$15,000,000 Net & Treaty in excess of A.				
ITEM 4 REINSURANCE ACCEPTED	A. \$500,0 B. \$1,500			1	
ITEM 5 BASIS OF REINSURANCE	□ EXCESS OF	LOSS	CONTRIBUTING EXCESS	□non-cond	URRENT
ITEM 6 CANCELLATION	75	DAYS NOTICE			
	A. \$4446		·		
PREMIUM THIS CERTIFICATE			FIXED XXDEPOSIT	CED. C	омм. 27.5
	TAL \$7800				
INSTALLMENTS PA	AYABLE	ESTIMATED	PREMIUM BASE	RATE	EST. PREMIUM
AT INCEPTION		n 4100 f	11		
DATE		Per \$100 qf pa   \$1,956,960,642	yroll based on	A000227 B00017	A. 3,223.35 B. 2,431.65
DATE		\$1,956,960,642	in payroii	1	$\begin{array}{cccccccccccccccccccccccccccccccccccc$
DATE		<u> </u>			γ5,055.00
		MINIM	IUM PREMIUM - FOR REINSUF	RANCE PERIOD	
DATE <u>August 1</u>	0, 1983	BY.	BALLE LENT AUTHORIZED SIGNATURE	inio)	

123 WILLIAM STREET NEW YORK, NEW YORK 10038

#### (hereinafter called the Reinsurer)

in consideration of payment of the premium, and subject to the terms, conditions and limits of liability set forth herein and in the Declarations made a part hereof, the Reinsurer does hereby relisate the ceding company named in the Declarations (herein called the Company) in respect of the Company's Policy as follows:

#### REINSURING AGREEMENTS AND CONDITIONS

- A. REINSURER'S LIABILITY & RETENTION. The Company warrants to retain for its own account, the Company Retention specified in the Declarations of this Certificate. The liability of the Reinsurer as specified in the Declarations, shall follow that of the Company's subject in all respects to all terms, conditions, and limits of the Company's policy except when otherwise specifically provided herein or designated as non-concurrent reinsurance in the Declarations. The Reinsurer's certificate period shall be as specified in the Declarations at the place specified in the Company's policy. The Company shall furnish the Reinsurer with a copy of its policy and all endorsements thereto and agrees to notify the Reinsurer promptly of all changes which in any manner affect this Certificate.
- thereto and agrees to notify the Reinsurer promptly of all changes which in any manner affect this Certificata.

  B. CLAIMS AND SETTLEMENT. The Company shall settle all claims under its policy in accordance with its terms and conditions. Prompt notice shall be given in writing to the Reinsurer by the Company of any occurrence which in the Company's estimate the value of injuries or damages sought (without regard to liability might result in a judgment in an amount sufficient to involve this certificate; or where the Company's retention set forth in Item 3 of the declarations, or if this reinsurance is on a contributing excess basis when notice of cleim is received by the Company. The Company will further advise the Reinsurer, in writing, in a complete and timely manner of all developments relating to the claim. While the Reinsurer does not undertake to investigate or defend claims it shall nevertheless have the right and be given the apportunity to associate with the Company and its representatives at the Reinsurer's expense in the defense and control of any claims, suit or proceeding involving this reinsurance, with the full cooperation of the Company.

  All claims involving this reinsurance whon settled by the Company shall be binding on the Reinsurer who shall be bound to pay its proportion of such settlements. In addition thereto, the Reinsurer shall be bound to pay: (1) its proportion of expenses (other than Company salaries and office expenses) incurred by the Company in the investigation and settlement of claims or suits, and (2) its proportion of court costs, interest on any judgment or award and litigation expenses (other than Company salaries and office expenses) incurred by the Company is the investigation and settlement of claims or suits, and (2) its proportion of court costs, interest on any judgment or award and litigation expenses (bother than Company is proportion of expenses (bother than Company salaries and office expenses) incurred by the Company's gross loss payments, and (b) with respect to

- PROOF OF LOSS. The Company shalf furnish proof that payment of a c. PROOF OF LOSS, the Company shall furnish proof that payment of a loss and loss expense has actually been made by the Company and payment by the Reinsurer of its proportion thereof shall be made promptly; provided, however, in the event of insolvency of the Company payment by the Reinsurer of its proportion of loss and loss expense which the Company has incurred or for which it is hable, shall be made to the liquidator, receiver or statutory successor of the Company in accordance with the provisions of Section L of these general conditions.
- D. INSPECTION OF RECORDS. At the request of the Reinsurer the Company shall place at its disposal and Reinsurer shall have the right at all reasonable times in the office of the Company, or elsewhere if mutually agreed, to inspect all books records and papers of the Company in any way pertaining to the reinsurance provided hereunder, including but not limited to claims in connection therewith
- E. SALVAGE. The Remsurer will be paid or credited by the Company with its proportion of salvages i.e., reimbursement obtained or recovery made by the Company, tess the actual cost texcluding Company salaries and office expenses) of obtaining such reimbursement of making such recovery. If the reinsurance afforded by this Certificate is on an Excess of Loss pasis, salvage shall be applied in the inverse order in which liability attaches.
- F. OFFSET. The Reinsurer may offsut any balancels) whether on account of premiums, claims, losses, adjustment expense, salvage or any other amounts) due from one party to the other under this Carrificate or under any other agreement heretofore or hereafter entered into between the Company and the Reinsurer whether acting as assuming reinsurer or as ceding company.

  G. WAR AND NUCLEAR EXCLUSION. The reinsurance hereunder is subject to "Nucleal", "Nuclear Exclusion" and "War Exclusion" Clauses considered standard for the coverage provided.

  H. PRIOR ATTACHMENT: If the reinsurance hereunder attaches prior to
- H. PRIOR ATTACHMENT. If the reinsurance hereunder attaches prior to the date of acceptance, the Company warrants that there are no known or reported losses which might be recoverable under this Certificate as of the date this reinsurance is accepted.
- CANCELLATION. (a) Should the Company's policy be cancelled, this Certificate shall terminate simultaneously. This Certificate may also be cancelled upon prior written notice by the Company or by the Reinsurer upon not less than the number of days listed on item 6 of the Declarations, which notice shall state when thereafter the reinsurance afforded hereby shall terminate or the company of the Declarations.

hate. Proof of mailing shall be deemed proof of notice and calculation of the earned premium shall follow the Company calculation in the use of short rate or pro rata tables. (b) in the event of non-payment of premium this Certificate may be cancelled by the Reinsurer by giving not less than ten days prior written notice stating when the reinsurance afforded hereby shall terminate. Proof of mailing shall be deemed proof of notice.

- ${\bf J}_{\rm c}={\bf TAXES}.$  The Company shall be liable for taxes on premiums ceded to Reinsurer under this Certificate.
- K. ENDORSEMENTS. The terms of this Certificate shall not be waived, amended or in any way modified unless contained in an endorsement to this Certificate, executed by a duty authorized representative of the Reinsurer.
- Certificate, executed by a duly authorized representative of the Reinsurer.

  L. INSOLVENCY. In the event of the insolvency of the Company, this reinsurence shall be payable directly to the Company, or to its liquidator, receiver, conservator or statutory successor on the basis of the hability of the Company without diminution because of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Reinsurer of the pendency of a claim against the Company on the policy reinsured which claim would involve a possible liability on the part of the Reinsurer within a reasonable time after such claim is filed in the conservator or liquidation proceeding or in the receivership, and that during the pendency of such claim, the Reinsurer may investigate such claim and interpose, at its own expense in the proceeding where such claim is to be adjudicated, any defense or defenses which it may deem available to the Company or its liquidator, receiver, conservator or statutory successor. The expense pany or its liquidator, receiver, conservator or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to the approval of the court, against the Company as part of the expense of conservation or liquidation to the extent of a pro-rata share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.
- to the Company solely as a result of the defense undertaken by the Reinsurer.

  M. ARBITRATION. Should an irreconcilable difference of opinion arise as to the interpretation of this Contract, it is hereby mutually agreed, that, as a condition precedent to any right of action hereunder, such difference shall be submitted to arbitration, one arbiter to be chosen by the Company, one by the Reinsurer, and an umpire to be chosen by the two arbiters before they enter upon arbitration. In the event that either party should fail to choose an arbiter within sixty days following a written request by the other party to enter upon arbitration, the requesting party may choose two arbitres who shall in turn choose an umpire before entering upon arbitration. Each party shall present its case to the arbiters within sixty days following the date of their appointment. The decision of the arbitres shall be final and binding upon both parties, but failing to agree they shall call in the umpire end the decision of the majority shall be final and binding upon both parties. Each party shall bear the expense of its own arbiter, and shall jointly and equally bear with the other the expenses of the umpire and of the arbitration. In the event that the two arbitres are chosen by one party, as above provided, the expense of the two arbitres, the umpire, and the arbitration shall be equally divided between the two parties. two parties.

Any such arbitration shall take place at New York, N.Y., unless some other location is mutually agreed upon by the two parties in interest.

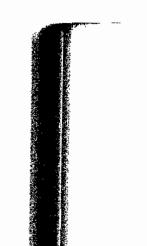
- N. INTERMEDIARY. The Intermediary named herein is hereby recognized as the Intermediary negotiating this Rensurance for all business hereunder. All communications (including but not limited to notices, statements, premiums, return premiums, commissions, taxes, losses, loss adjustment expense, salvages, and loss settlements) relating thereto shall be transmitted to the Company or the Reinsurer through the Intermediary. Payments by the Company to the Intermediary shall be deemed to constitute payment to the Reinsurer. Payments by the Reinsurer to the Intermediary shall be deemed only to constitute payment to the Company to the extent that such payments are actually received by the Company.

  O. NON-CONCURRENT shall mean the reinsurance provided thes. not
- O. NON-CONCURRENT shall mean the reinsurance provided does not apply to any hazards or risks of loss or damage covered under the Company's policy other than those specifically set forth in the Declarations and/or endorsements attached. The retention of the Company and the hisbility of the Reinsurer shall be determined as though the Company's policy(ies) applied only to the hazards or risk of loss or damage specifically described in the Declarations and/or endorsements attached.
- P. EXCESS OF LOSS shall mean the limit of liability of the Beinsurer, as stated, applies(y) only to that portion of loss within the policy limits in excess of the applicable retention of the Company as stated in the Declarations.
- Q. CONTRIBUTING EXCESS shall mean the Company's policy applies in excess of other valid insurance, reinsurance or a self insured retention and the limits) of liability of the Reinsurer applies proportionally to all loss settlements within policy limits in the proportion set forth in Item No. 4 of the Declarations.

IN WITNESS WHEREOF the PALADIN REINSURANCE CORPORATION has caused this Certificate to be signed by its President and Secretary, but same shall not be binding upon the Hainsurer unless countersigned by an authorized representative of the Reinsurer.

11/11

120



CERTIFICATE NUMBER C 1260

# PACADIN REINSURANCE **CORPORATION**

NEW YORK, NEW YORK

CEDING CO. AND ADDRESS

Employers Insurance of Wausau-A. Mutual Company

RENEWING CERTIFICATE	
REPLACING CERTIFICATE	
PRODUCER CODE NO.	

C/O PCM Intermediaries, Ltd.

ATTENTION: L		DECLARATIONS		
INSURED & ADDRESS	Semta etal as p Betroft, Michig	er original		
COMPANY POLICY NUMBER	5737-00-300549			
COMPANY POLICY PERIOD	/15/82 to 7/15/8	7/15/82 to	7/15/85	
ITEM 1 TYPE OF INSURANCE	Excess Architec	ets & Engineers Prof Lia	b	
ITEM 2 POLICY LIMITS AND APPLICATIONS	\$23,000,000 exc	ess of \$2,000,000 each	claim/aggre	gate
ITEM 3 COMPANY RETENTION	This Layer: \$4	,000,000 Net & Treaty p cess of \$5,000,000 each	art of \$10, claim/aggr	000,000 egate
ITEM 4 REINSURANCE ACCEPTED	\$1,000,000 part each claim/aggr	t of \$10,000,000 excess regate	of \$5,000,0	100
ITEM 5 BASIS OF REINSURANCE	EXCESS OF LOSS	CONTRIBUTING EXCESS	□non-coi	NCURRENT
ITEM 6	DAYS NOTI	CE see endt / 1		, 
करम् १८ व्याप्तः इति क्रिक्तः स्टब्स्ट्रेस्ट्रिक्ट्रिक्ट्रेस्ट्रिक्ट्रिक्ट्रेस्ट्रिक्ट्रेस्ट्रिक्ट्रिक्ट्रेस्ट्रिक्ट्रिक्ट्रेस्ट्रिक्ट्रिक्ट्रेस्ट्रिक्ट्रिक्ट्रिक्ट्रेस्ट्रिक्ट्रिक्ट्रेस्ट्रिक्ट्रि		5	'LG )	
PREMIUM THIS CERTIFICATE	\$8000.00	FIXED DEPOSIT	CED	COMM. 25%
INSTALLMENTS PA		ESTIMATED PREMIUM BASE	RATE	EST. PREMIUM
DATÉ DATÉ				\$6000.00 Net
DATE		MINIMUM PREMIUM - FOR REINSURA	NCE PERIOD	
DATE Augus	t 11,1982	BYAUTHORIZED SIGNATURE	·	

123 WILLIAM STREET NEW YORK, NEW-YORK-10038

#### (hereinafter called the Reinsurer)

In consideration of payment of the premium, and subject to the terms, conditions and limits of liability set forth herein and in the Declarations made a the Reinsurer does hereby reinsure the ceding company named in the Declarations (herein called the Company) in respect of the Company's Policy as follows:

#### REINSURING AGREEMENTS AND CONDITIONS

- A. REINSURER'S LIABILITY & RETENTION. The Company warrants to retain for its own account, the Company Retention specified in the Declarations of this Certificate. The liability of the Reinsurer as specified in the Declarations, shall follow that of the Company's subject in all respects to all terms, conditions, and limits of the Company's policy except when otherwise specifically provided herein or designated as non-concurrent reinsurance in the Declarations. The Reinsurer's certificate period shall be as specified in the Declarations at the place specified in the Company's policy. The Company shall furnish the Reinsurer with a copy of its policy and all endorsements thereto and agrees to notify the Reinsurer gromptly of all changes which in any manner affect this Certificate.
- thereto and agrees to, notity the Reinsurer gromptly of all changes which in any manner affect this Certificate.

  B. CLAIMS AND SETTLEMENT. The Company shall settle all claims under its policy by a coestillation with its terms and conditions. Prompt notice shall be given-in writing to the Reinsurer by the Company of any occurrence which in the Company's estimate the value of injuries or damages sought (without regard to liability might result in a judgment in an amount sufficient to involve this certificate go where the Company has created a loss reserve of fifty (50) percent or greate of the Company's retention sot forth in the first 3 of the declarations; or if this reinsurance is on a contributing excess basis when notice of claims is received by the Company. The Company will further advise the Reinsurer, in writing, in a complete and timely manner of all developments relating to the claim. While the Reinsurer does not undertake to investigate or defend claims it shall nevertheless have the right and be given the opportunity to associate with the Company and its representatives at the Reinsurer's expense in the defense and control of any claims, suit or proceeding involving this reinsurance, with the full cooperation of the Company.

  All claims involving this reinsurance when settled by the Company shall be binding on the Reinsurer who shall be bound to pay its proportion of expenses (other than Company statics and office expenses) incurred by the Company in the investigation and settlement of claims or suits, and (2) its proportion of court costs, interest on any judgment or award and litigation expenses, [provided its prior consent to legal proceedings has been obtained from the Reinsurer), as follows: (a) with respect to reinsurance provided on a Reinsurer), as follows: (a) with respect to reinsurance provided on a Pro Rata basis, in the ratio that the Reinsurer's limit of liability bears to the Company's gross loss payments, and (b) with respect to reinsurance provided on a Pro Rata basis, in the ratio t

- C. \*RROOF OF LOSS, The Company shall furnish proof that payment of a loss and loss expense has actually been made by the Company and payment by the Reinsurer of its proportion thereof shall be made promptly; provided, however, in the event of insolvency of the Company payment by the Reinsurer of its proportion of loss and loss expense which the Company has notified por for which it is liable, shall be made to the liquidator, receiver or statutory successor of the Company in accordance with the provisions of Section 1 of sucgesor of the Company in accordance with the provisions of Section L of these general equiditions.
- D: INSPECTION OF RECORDS. At the request of the Reinsurer the Company shall place at its disposal and Reinsurer shall have the right at all reasonable times in the affice of the Company, or elsewhere if my draffy agreed, to inspect all books records and papers of the Company, in any way pertaining to the reinsurance provided hereunder, including but not limited to claims in connection therewith.
- SALYAGE. The Reinsurer will be paid or credited by the Company with its proportion of salvages i.e., reimbursement obtained or recovery made by the Company, less the actual cost (excluding Company salaries and office expenses) of obtaining such reimbursement of making such recovery. If the reinsurance afforded by this Certificate is on an Exgess-of-Loss basis, salvage shall be applied in the inverse order in which liability attaches.
- shall be applied in the inverse order in which nability attaches.

  F. OFFSET. The Reinsurer may offset any balance(s) whether on accountof premiums, claims, losses, adjustment expense, salvage or any other amount(s)
  dide from orde party to the other under this Certificate or under any other
  agreement heretofore or hereafter entered into between the Company and the
  Reinsurer whether acting as assuming reinsurer or as ceding company.

  G. WAR AND NUCLEAR EXCLUSION. The reinsurance hereunder is subject to "Nuclear", "Nuclear Exclusion" and "War Exclusion" Clauses considerjed standard for the coverage provided.

  PRIOR ATTACHMENT. If the reinsurance hereunder attaches prior to
- H. PRIOR ATTACHMENT, It the reinsurance hereunder attaches prior to the date of acceptance, the Company warrants that there are no known or reported losses which might be recoverable under this Certificate as of the date this reinsurance is accepted.

- nate. Proof of mailing shall be deemed proof of notice and calculation of the nate. Proof of maining shall be deemed proof of notice and calculation of the earned premium shall follow the Company calculation in the use of short rate or pro rata tables. (b) in the event of non-payment of premium this Certificate may be cancelled by the Reinsurer by giving not less than ten days prior written notice stating when the reinsurance afforded hereby shall terminate. Proof of mailing shall be deemed proof of notice.
- J. TAXES. The Company shall be liable for taxes on premiums ceded to Reinsurer under this Certificate.
- K. ENDORSEMENTS. The terms of this Certificate shall not be waived, amended or in any way modified unless contained in an endorsement to this Certificate, executed by a duly authorized representative of the Reinsurer.
- L. INSOLVENCY. In the event of the insolvency of the Company, this reinstrance shall be payable directly to the Company, or letts Indidator, receiver, conservator or statutory successor on the basis of the liability of the Company without diminution begains of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has falled to pay all or apportion of any claim. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Reinsurer of the pendency of a claim against the Company on the policy reinsured which claim would involve a possible liability on the part of the Reinsurer within a reasonable time after such claim is filed in the conservator or liquidation proceeding or in the receivership, and that during the pendency of such claim, the Reinsurer may investigate such claim and interpose, at its own expense in the proceeding where such claim is to be adjudicated, any defense or defenses which it may deem available to the Company or its liquidator, receiver, conservator or statutory successor. The expense, pany or its liquidator, receiver, conservator or statutory successor. The expense, thus incurred by the Reinsurer shall be chargeable, subject to the approval of the court, against the Company as part of the expense of conservation or liquidation to the extent of a pro rata share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.
- to the Company solely as a result of the defense undertaken by the Reinsurer.

  M. ARBITRATION. Should an irreconcilable difference of opinion arise as to the interpretation of this Contract, this hereby mutually agreed, that, as a condition precedent to any right of action hereunder, such difference shall be, submitted to arbitration, one arbitration be chosen by the Company, one by the Reinsurer, and an umpire to be chosen by the two arbitrats before they enter upon arbitration. In the event that either party should fail to choose an arbitrar upon arbitration, the requesting party may choose two arbitras who shall in turn choose an umpire before entering upon arbitration. Each party shall present its case to the arbitras within sixty days following the date of their appointment. The decision of the arbitras shall be final and binding upon both parties, but failing to agree they shall call in the umpire and the decision of the majority shall be final and binding upon both parties. Each party shall bear the expense of its own arbitra, and shall jointly and equally bear with the other, the expenses of the umpire, and the arbitration. In the event that the two arbiters are chosen by one party, as above provided, the expense of the arbitration shall be equally divided between the two parties.

- arbiters, the umpire, and the arbitration shall be equally divided between the two parties.

  Any such arbitration-shall-take place as New York, N.Y., unless some other location is mutually agreed upon by the two parties in interest.

  N. INTERMEDIARY afte intermediary named herein is hereby recognized as the Intermediary negotiating this Reinsurance for all business hereunder. All communications (including but not limited to notices, statements) premiums, return premiums, commissions, taxes, losses, loss adjustment expense, salvages, and loss settlements) relating thereto shall be transmitted to the Company or the Reinsurer through the Intermediary. Payments by the Company to the Intermediary shall be deemed to constitute payment to the Reinsurer. Payments by the Reinsurer to the Intermediary shall be deemed only to constitute payment to the Company to the extent that such payments are actually received by the Company.

  O. NON-CONCURRENT shall mean the reinsurance provided does not
- O. NON-CONCURRENT shall mean the reinsurance provided does not apply to any hazards or risks of loss or damage covered under the Company's policy other than those specifically set forth in the Declarations and/or endorsements attached. The retention of the Company and the liability of the Reinsurer shall be determined as thought the Company's policy(ies) applied only to the hazards or risk of loss or damage specifically described in the Declarations and/or endorsements attached.
- P. EXCESS OF LOSS shall mean the limit of liability of the Reinsurer, as stated, applies(y) only to that portion of loss within the policy limits in excess of the applicable retention of the Company as stated in the Declarations.
- this reinsurance is accepted.

  I. CANCELLATION. (a) Should the Company's policy be cancelled, this Certificate shall terminate simultaneously. This Certificate may also be cancelled upon prior written notice by the Company or by the Reinsurer upon not less than the number of days listed on Item 6 of the Declarations, which: notice shall state when thereafter the reinsurance afforded hereby shall terminate shall state when thereafter the reinsurance afforded hereby shall terminate shall state when thereafter the reinsurance afforded hereby shall terminate shall state within policy limits in the proportion set forth in Item No. 4 of the Declarations.

  IN WITNESS VIHEREOF the PALADIN REINSUBANCE CORPORATION has caused this Certificate to be signed by its President and Secretary, but same shall not be binding upon the Reinsurer unless countersigned by an authorized representative of the Reinsurer.

A. 化螺钉法压 医乳体

level & realing

ENDORSEMENT NO.:
THIS ENDORSEMENT, EFFECTIVE 7/15/82, FORMS A PART OF  CONTRACT NO.: C 1260 ISSUED TO Employers Insurance of Wausau A.  Mutual Company  ORIGINAL INSURED: Semta et al POLICY No.: 5737-00-300549  It is understood and agreed that coverage provided
by this certificate shall be extended for a two year period (expiring July 15, 1987) from July 15, 1985 unless 135 (105 plus 30) days notice is given prior to the July 15, 1985 date that such extension will not be granted and return of unearned premium is tendered at that time.
· -
ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

DATE: <u>8/12/82</u>

A Company Managed By SYNCORP

ENDORSEMENT NO.: 2
THIS ENDORSEMENT, EFFECTIVE 7/15/82 , FORMS A PART OF
CONTRACT NO.: C1260 ISSUED TO Employers Insurance of Wausau
ORIGINAL INSURED: SEMTA, et al POLICY NO.: 5727-00-300549
Pursuant to endorsement number 3 of the original policy, it is agreed
that:
A) The coverage of this policy is hereby extended to apply to claims first made against the insured during seven hundred thirty (730) calendar days immediately following July 15, 1985 the effective date of cancellation or non-renewal of this policy. This seven hundred thirty (730) days interval is referred to as the extension period.
B) The extension of coverage referred to in Paragraph 1., hereof shall apply only to claims which arise by reason of an act, error or omission in professional services performed prior to the effective date of such cancellation or non-renewal of this policy and which is otherwise covered thereunder.
C) Nothing contained in this endorsement shall in any way increase the limits of liability or aggregate set forth in the declarations of the policy.
ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.
DATE. 11/26/85 Barden a Clare

AUTHORIZED SIGNATURE

A Company Managed By SYNCORP

ENDORSEMENT NO.: 3		
THIS ENDORSEMENT, EFFECTIVE 7/15/85 FORMS A PART OF		
CONTRACT NO.: C1260 ISSUED TO Employers Insurance of Wausau		
ORIGINAL INSURED: SEMTA et al POLICY NO.: 5737-00-300549		
In consideration of a return premium of \$3,198.00 gross it is		
agreed that this policy is cancelled effective July 15, 1985.		
ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.		
DATE: 11/26/85 Backer Ce. Cecan AUTHORIZED SIGNATURE		
AUTHORIZED SIGNATURE		
•		
Variation of the Committee of the		

### CERTIFICATE OF CASUALTY FACULTATIVE REINSURANCE

# PALADIN REINSURANCE

NEW YORK, NEW YORK

CERTIFICATE NUMBER C 1070

WAUS.....

CEDING CO. AND ADDRESS

Employers Insurance of Wausau

RENEWING CERTIFICATE	
REPLACING CERTIFICATE	
PRODUCER CODE NO.	

C/O Fred S. James & Co. of N.Y. CODE NO.							
ATTENTION: Mr. Fr.	ank Ficarra						
	·	DECL	ARATIONS				
INSURED & ADDRESS	Wigham Poland Holdings Ltd.						
COMPANY POLICY NUMBER	WHM 81/013 & Policy 5732-00-100220						
COMPANY POLICY PERIOD	5/1/81 to 5/1/82 CERTIFICATE PERIOD 5/1/81 to 5/1/82						
ITEM 1 TYPE OF INSURANCE	Insurance	Insurance Brokers Professional Liability					
ITEM 2 POLICY LIMITS AND APPLICATIONS	L5,000,000 in excess of deductibles divided:  (a) L2,000,000 in excess of deductibles  (b) L3,000,000 in excess of (a)						
ITEM 3 COMPANY RETENTION	<ul> <li>(a) £1,791,600 part of £2,000,000 excess of deductibles and including other reinsurance.</li> <li>(b) 100% of £3,000,000 in excess of (a) including other reinsurance.</li> </ul>						
ITEM 4 REINSURANCE ACCEPTED	(a) h208,400. part of h2,000,000 excess of deductibles (b) nil part of h3,000,000 in excess of h2,000,000.						
ITEM 5 BASIS OF REINSURANCE	E □ EXCESS OF LOSS □ CONTRIBUTING EXCESS □ NON-CONCURREN		N-CONCURRENT				
ITEM 6 CANCELLATION	45 DAYS NOTICE .						
PREMIUM THIS CERTIFICAT	ы ы19,538.		FIXED DEP	OSIT	CED. COMM. 27.5		
INSTALLMENTS	PAYABLE	ESTIMATED	PREMIUM BASE	RATE	EST. PREMIUM		
AT INCEPTION							
DATE					614,165 being 619,538 less 27.5% cede		
DATE	T	MINIM	M PREMILIM - FOR RI	EINSURANÇE PERIOD			
DATE August 2	25, 1981	ву(	_	Cah			

123 WILLIAM STREET NEW YORK, NEW YORK 10038

#### (hereinafter called the Reinsurer)

In consideration of payment of the premium, and subject to the terms, conditions and limits of liability set forth herein and in the Declarations made a part hereof, the Reinsure; does hereby reinsure the ceding company named in the Declarations (herein called the Company) in respect of the Company's Policy as follows:

#### **REINSURING AGREEMENTS AND CONDITIONS**

- A. REINSURER'S LIABILITY & RETENTION. The Company warrants to retain for its own account, the Company Retention specified in the Declarations of this Certificate. The liability of the Reinsurer as specified in the Declarations, shall follow that of the Company, subject in all respects to all terms, conditions, and limits of the Company's policy except when otherwise specifically provided herein or designated as non-concurrent reinsurance in the Declarations. The Reinsurer's certificate period shall be as specified in the Declarations at the place specified in the Company's policy. The Company shall furnish the Reinsurer with a copy of its policy and all endorsements thereto and agrees to notify the Reinsurer promptly of all changes which in any manner affect this Certificate.
- B. CLAIMS AND SETTLEMENT. The Company shall settle all claims under its policy in accordance with its terms and conditions. Prompt notice shall be given in writing to the Reinsurer by the Company of any occurrence which appears likely to involve this reinsurance or of any occurrence which in the Company's estimate the value of injuries or damages sought (without regard to liability might result in a judgment in an amount sufficient to involve this certificate; or where the Company has created a loss reserve of fifty 150) percent or greater of the Company's retention set forth in Item 3 of the declarations, or if this reinsurance is on a contributing excess basis when notice of claim is received by the Company. The Company will further advise the Reinsurer, in writing, in a complete and timely manner of all developments relating to the claim. While the Reinsurer does not undertake to investigate or defend claims it shall nevertheless have the right and be given the opportunity to associate with the Company and its representatives at the Reinsurer's expense in the defense and control of any claims, suit or proceeding involving this reinsurance, with the full cooperation of the Company.

  All claims involving this reinsurance when settled by the Company shall be

this reinsurance, with the full cooperation of the Company. All claims involving this reinsurance when settled by the Company shall be binding on the Reinsurer who shall be bound to pay its proportion of such settlements. In addition therato, the Reinsurer shall be bound to pay. (1) its proportion of expenses tother than Company salaries and office expenses incurred by the Company in the investigation and settlement of claims or suits, and (2) its proportion of court costs, interest on any judgment or award and litigation expenses (provided its prior consent to legal proceedings has been obtained from the Reinsurer), as follows: (a) with respect to reinsurance provided on an Excess of Loss basis, in the ratio that the Reinsurer's loss payment bears to the Company's gross loss payments, and (b) with respect to reinsurance provided on a Pro Rata basis, in the ratio that the Reinsurer's limit of liability bears to the Company's gross limit of liability.

- C. PROOF OF LOSS. The Company shall furnish proof that payment of a loss and loss expense has actually been made by the Company and payment by the Reinsurer of its proportion thereof shall be made promptly, provided, however, in the event of insolvency of the Company payment by the Reinsurer of its proportion of loss and loss expense which the Company has incurred or for which it is fiable, shall be made to the liquidator, receiver or statutory successor of the Company in accordance with the provisions of Section L of these general conditions.
- D. INSPECTION OF RECORDS. At the request of the Reinsurer the Company shall place at its disposal and Reinsurer shall have the right at all reasonable times in the office of the Company, or elsewhere if mutually agreed, to inspect all books records and papers of the Company in any way pertaining to the reinsurance provided hereunder, including but not limited to claims in connection therewith
- E. SALVAGE. The Reinsurer will be paid or credited by the Company with its proportion of salvages i.e., reimbursement obtained or recovery made by the Company, less the actual cost texcloding Company salaries and office expenses) of obtaining such reimbursement of making such recovery. If the reinsurance afforded by this Continuate is on an Excess of Loss basis, salvage shall be applied in the inverse order in which habitity attaches.
- F. OFFSET. The Honsurer may offset any balance(s) whether on account of premiums, claims, losses adjustment expense, salvage or any other amount(s) due from one party to the other under this Certificate or under any other agreement hereofore or hordefter entered into between the Company and the Reinsurer whether acting as assuming reinsurer or as ceding company.
- G. WAR AND NUCLEAR EXCLUSION. The reinsurance heraunder is subject to "Nuclear", "Nuclear Exclusion" and "War Exclusion" Clauses considered standard for the coverage provided
- H. PRIOR ATTACHMENT. If the reinsurance hereunder attaches prior to the date of acceptance, the Company warrants that there are no known or reported losses which might be recoverable under this Certificate as of the date this reinsurance is accepted.
- I. CANCELLATION. (a) Should the Company's policy be cancelled, this Certificate shall terminate simultaneously. This Certificate may also be cancelled upon prior written notice by the Company or by the Reinsurer upon not less than the number of days listed on Item 6 of the Declarations, which notice shall state when thereafter the reinsurance afforded hereby shall terminate.

- nate. Proof of mailing shall be deemed proof of notice and calculation of the earned premium shall follow the Company calculation in the use of short rate or pro rata tables. (b) in the event of non-payment of premium this Certificate may be cancelled by the Reinsurer by giving not less than ten days prior written notice stating when the reinsurance afforded hereby shall terminate. Proof of mailing shall be deemed proof of notice.
- J. TAXES. The Company shall be liable for taxes on premiums ceded to Reinsurer under this Certificate.
- K. ENDORSEMENTS. The terms of this Certificate shall not be waived, amended or in any way modified unless contained in an endorsement to this Certificate, executed by a duly authorized representative of the Reinsurer.
- L. INSOLVENCY. In the event of the insolvency of the Company, this reinsurance shall be payable directly to the Company, or to its liquidator, receiver, conservator or statutory successor on the basis of the liability of the Company without diminution because of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Reinsurer of the pendency of a claim against the Company on the policy reinsured which claim would involve a possible liability on the part of the Reinsurer within a reasonable time after such claim is filed in the conservator or liquidation proceeding or in the receivership, and that during the pendency of such claim, the Reinsurer may investigate such claim and interpose, at its own expense in the proceeding where such claim is to be adjudicated, any defense or defenses which it may deem available to the Company or its liquidator, receiver, conservator or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to the approval of the court, against the Company as part of the expense of conservation or liquidation to the extent of a pro-rate share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.
- to the Company solely as a result of the defense undertaken by the Reinsurer.

  M. ARBITRATION. Should an irreconcliable difference of opinion arise as to the interpretation of this Contract, it is hereby mutually agreed, that, as a condition precedent to any right of action hereunder, such difference shall be submitted to arbitration, one arbiter to be chosen by the Company, one by the Reinsurer, and an umpire to be chosen by the two arbiters before they enter upon arbitration. In the event that either party should fail to choose an arbiter within sixty days following a written request by the other party to enter upon arbitration, the requesting party may choose two arbiters who shell in turn choose an umpire before entering upon arbitration. Each party shall present its case to the arbiters within sixty days following the date of their appointment. The decision of the arbiters shall be final and binding upon both parties, but failing to agree they shall call in the umpire and the decision of the majority shall be final and binding upon both parties. Each party shall bear the expense of its own arbiter, and shall jointly and equally bear with the other tho expenses of the umpire and of the arbitration. In the event that the two arbiters are chosen by one party, as above provided, the expense of the arbitration, that the provided of the properties.

Any such arbitration shall take place at New York, N.Y., unless some other location is mutually agreed upon by the two parties in interest.

- N. INTERMEDIARY. The Intermediary named herein is hereby recognized as the Intermediary negotiating this Reinsurance for all business hereunder. All communications fincluding but not limited to natices, statements, premiums, return premiums, commissions, taxes, losses, loss adjustment expense, salvages, and loss settlements) relating thereto shall be transmitted to the Company or the Reinsurer through the Intermediary Payments by the Company to the Intermediary shall be deemed to constitute payment to the Reinsurer. Payments by the Reinsurer to the Intermediary shall be deemed only to constitute payment to the Company to the extent that such payments are actually received by the Company.
- C. NON-CONCURRENT shall mean the reinsurance provided does not apply to any hazards or risks of loss or damage covered under the Company's policy other than those specifically set forth in the Declarations and/or endorsuments attached. The retention of the Company and the liability of the Reinsurer shall be determined as though the Company's policy(ies) applied only to the hazards or risk of loss or damage specifically described in the Declarations and/or endorsements attached.
- P. EXCESS OF LOSS shall mean the limit of liability of the Reinsurer, as stated, applies(y) only to that portion of loss within the policy limits in excess of the applicable retention of the Company as stated in the Declarations.
- Q. CONTRIBUTING EXCESS shall mean the Company's policy applies in excess of other valid insurance, reinsurance or a self-insured retention and the limit(s) of liability of the Reinsurer applies proportionally to all-loss settlements within policy limits in the proportion set forth in item No. 4 of the Declarations.

IN WITNESS V/HEREOF the PALADIN REINSURANCE CORPORATION has caused this Certificate to be signed by its President and Secretary, but same shall not be binding upon the Rainsurer unless countersigned by an authorized representative of the Reinsurer.

Secretary Secretary

Edward L. ngother President

ENDORSEMENT NO.: \_\_1\_

RECLINED WAUSAUINTL

⊕07 ± ± 1981

This endorsement, effective May 1, 1981 forms a part of Revised
Contract No.: 1033 issued to Employers Insurance of Wausau
Original Insured: Wigham Poland Holdings Policy No.: WHM81/013  Ltd. Pol 5732-00-100220
It is agreed that certificate number is amended from C 1070 to C 1033 revised.
It is further agreed that item 6 of the declarations is ameded to read 75 days.

ALL OTHER TERMS AND CONDITIONS OF THIS CONTRACT REMAIN UNCHANGED.

DATE: 9/17/81

Authorized Signature

		ENDO	RSEMENT I	vo.:	<del></del>	
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#### IN THE MATTER OF THE ARBITRATION BETWEEN

SIDGE KEENAN

EMPLOYERS INSURANCE COMPANY OF WAUSAU,	3 08 CV 0042
Petitioner,	)
	) PETITION TO CONFIRM
and	) REVISED ARBITRATION
PALADIN REINSURANCE CORPORATION,	AWARD DE CONTROL OF THE PROPERTY OF THE PROPER
Respondent.	5 UU JAN 03 2008 UU
	U.S.D.C. S.D. N.Y.  CASHIERS

Petitioner Employers Insurance Company of Wausau ("Wausau") hereby petitions this Court to confirm the Revised Arbitration Award from the arbitration between Wausau and Paladin Reinsurance Corporation ("Paladin") as a judgment pursuant to 9 U.S.C. § 9.

#### The Parties

- Wausau is an insurance company organized under the laws of Wisconsin, with its principal place of business at 400 Westwood Drive, Wausau, Wisconsin 54402, that is authorized to do insurance business in the State of New York.
- 2. Paladin is a reinsurance company organized under the laws of the State of New York, with its principal place of business in New York, New York, that is authorized to do insurance business in the State of New York.

#### Jurisdiction and Venue

- 3. This Petition is brought under the diversity jurisdiction of this Court, 28 U.S.C. § 1332(a)(1), since there is complete diversity of citizenship between the parties and the amount at issue is greater than \$75,000 exclusive of interest and costs.
- 4. Venue is proper in this Court pursuant to 28 U.S.C. § 1391(a)(1) since Paladin is a New York reinsurance company and 9 U.S.C. § 9 since the venue of the arbitration was in New York City.

#### The Reinsurance Contracts and the Arbitration Clauses

- Paladin reinsures Wausau pursuant to 19 certificates of facultative reinsurance (the "Reinsurance Contracts").
- 6. Each of the Reinsurance Certificates contains an arbitration clause that requires, among other things, binding arbitration of irreconcilable differences of opinion between the parties concerning that Reinsurance Contract in New York, N.Y. (the "Arbitration Clauses").

#### The Arbitration

- Paladin demanded arbitration against Wausau pursuant to the Arbitration Clauses in the Reinsurance Contracts by letter dated November 28, 2006, seeking, among other things, monetary relief from Wausau greater than \$75,000.
- 8. Two party-appointed arbitrators and a neutral umpire (collectively, the "Panel") were duly selected pursuant to the Arbitration Clauses.

A telephonic Organizational Meeting was conducted before the Panel on February
 27, 2006. Prior to the Organizational Meeting, each party submitted a Position Statement summarizing its position.

#### Wausau's Motion to Dismiss

- 10. After the Organizational Meeting, Wausau moved to dismiss all claims against Wausau on the ground that all such claims were time-barred.
- 11. Both parties made written submissions to the Panel with respect to the motion to dismiss.
- 12. On August 8, 2007, the Panel conducted a hearing and heard oral argument from counsel for each party.
- 13. After the hearing, the Panel permitted both parties to make an additional written submission of documentary evidence and each party did so.
- 14. The Panel issued a Final Award dated August 29, 2007. Paladin then asked the Panel to clarify the Final Award.
- 15. In connection with Paladin's request for clarification, both parties made written submissions to the Panel.

#### The Revised Final Award

16. After deliberation, the Panel issued its Revised Final Award on September 12, 2007.

A copy of that document is Exhibit A hereto. The Revised Final Award, among other things, held that all Paladin's claims in that arbitration were time-barred.

17. No motion to vacate, modify or correct the Revised Final Award was made within the three-month period prescribed by 9 U.S.C. § 12.

WHEREFORE, Petitioner Wausau respectfully requests that judgment be entered confirming the Revised Final Award and awarding Wausau the costs and disbursements of this proceeding, and such other and further relief as may be just and equitable.

Dated: New York, New York January 3, 2008 RUBIN, FIORELLA & FRIEDMAN LLP

By:

Gerald A. Greenberger (GG 6932)

Attorneys for Petitioner Employers Insurance Company of Wausau

292 Madison Avenue, 11th Floor New York, New York 10017 (212) 953-2381

421-8190\Petition to Confirm Rev. Arb. Award.wpd

# **EXHIBIT A**

In the Matter of the Arbitration Between PALADIN REINSURANCE CORPORATION, Petitioner,

and

**Before** 

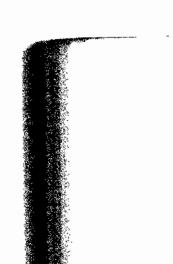
Robert Robinson, Arbitrator Paul Hawksworth, Arbitrator Elizabeth M. Thompson, Umpire

EMPLOYERS INSURANCE COMPANY OF WAUSAU Respondent

#### **REVISED FINAL AWARD**

This arbitration was commenced by demand served by Páladín Reinsurance Corporation (Paladín) dated November 28, 2006. Respondent Employers Insurance Company of Wausau (Wausau) filed a Motion to Dismiss Paladín's claims as time barred. After full briefing and submission of evidence by the parties, the Panel conducted a telephonic hearing on August 8, 2007. The Panel, after having considered and deliberated concerning the evidence presented and the written and oral submissions of the parties, issued its award on August 29, 2007. Subsequently Paladín requested the Panel to clarify its award. The Panel, after having considered the parties' submissions with respect to Paladín's request for clarification issues, the following revised final award.

- Both parties submitted documentary evidence in support of their respective positions. The parties acknowledged that the panel has been provided with all the information required to rule on the issue raised by Wausau's motion. See August 8, 2007 Hearing Transcript. p. 52. The Panel therefore has treated this motion as a Motion for Summary Judgment.
- 2 It is undisputed that New York law applies to the contracts at issue and that the governing statute of limitations is the latter of six years from the date of the alleged breach or two years from the date Paladin knew of, or through the exercise of reasonable diligence could have discovered the alleged breach.
- 3 The Panel finds that Paladin knew of, or with the exercise of reasonable diligence could have discovered. Wausau's alleged breach of the retention warranties in the facultative certificates at issue more than two years prior to October 26, 2001. Accordingly the Panel finds that Paladin's claims in this proceeding are time barred.
- 4. Each party shall bear its own costs and fees and the fees and expenses of its party appointed arbitrator. Each party shall pay one half of the fees and costs of the umpire. The fees and expenses of the arbitrators and umpire shall be paid within 30 days of submission of their billings.



5. All other requests of the parties are denied.

Dated September 12, 2007
Robert Robinson Arbitratoell by permission
Robert Robinson Arbitrator UM DA PAMASCAT
YUU Laurenonah.
Paul Hawksworth, Arbitrator Line by Denvirin
Wirdth W
Elizabeth M Thompson, Umpire